
Section I

Budget at a Glance

Governor's FY 2023 Budget at a Glance

The Governor's budget recommendations for FY 2023 are contained in 2022-H 7123, introduced on January 20, 2022; his revisions to the FY 2022 enacted budget were also introduced that day as separate legislation in 2022-H 7122. This was in compliance with the law requiring the budget be submitted by the third Thursday in January.

The table below shows the total budget by fund source and how it compares to the budget adopted for FY 2022. General revenue spending would increase by \$180.5 million or 4.0 percent.

FY 2023	General Revenue	Federal	Restricted	Other	All Funds
FY 2022 Enacted	\$ 4,550.8	\$ 5,862.7	\$ 372.7	\$ 2,334.6	\$ 13,120.8
Governor	4,731.3	5,311.0	432.2	2,350.4	12,825.0
Change to Enacted	\$ 180.5	\$ (551.7)	\$ 59.5	\$ 15.8	\$ (295.8)
Percent Change	4.0%	-9.4%	16.0%	0.7%	-2.3%

Revised general revenue spending recommended for the current year is \$448.1 million more than the enacted budget or 9.8 percent; it is \$920.2 million or 22.6 percent more than estimated FY 2021 expenditures. Total revised expenditures from all sources are \$641.8 million more than enacted and \$775.7 million or 6.0 percent more than spent in FY 2021, primarily from general revenues.

FY 2022 Revised	General Revenue	Federal	Restricted	Other	All Funds
FY 2021 Final	\$ 3,982.6	\$ 7,538.6	\$ 348.7	\$ 2,455.0	\$ 14,325.0
FY 2021 Reported	4,078.6	6,603.3	237.5	2,067.5	12,986.9
Difference	\$ 96.0	\$ (935.3)	\$ (111.2)	\$ (387.5)	\$ (1,338.1)
FY 2022 Enacted	\$ 4,550.8	\$ 5,862.7	\$ 372.7	\$ 2,334.6	\$ 13,120.8
Governor's FY 2022 Revised	4,998.9	6,051.1	448.0	2,264.6	13,762.6
Governor's Change to Enacted	\$ 448.1	\$ 188.4	\$ 75.3	\$ (70.0)	\$ 641.8
Percent Change	9.8%	3.2%	20.2%	-3.0%	4.9%

Budget Issues

- **ARPA - Fiscal Recovery.** Rhode Island received \$1.1 billion from the State Fiscal Recovery funds through the American Rescue Plan Act in March 2021. Funds are intended to respond to the coronavirus pandemic and its negative economic impacts, and may be provided to households, small businesses, nonprofits, essential workers, or to impacted industries including tourism, travel, and hospitality, or infrastructure supports for water, sewer, or broadband systems. Federal guidance was finalized in January 2022. In adopting its FY 2022 budget in June, the Assembly preserved the full value of the American Rescue Plan Act fiscal recovery funds for a more robust public process on the proposed uses.

In October, Governor McKee requested authorization for use of \$113.0 million, roughly 10 percent of the state's allocation. The Assembly enacted \$119.0 million contained in 2021-H 6494, Substitute A, which became law on January 4, 2022. The Governor's revised budget recommendations for FY 2022 and his plan for FY 2023 commits the remaining funds on over 50 separate projects in several distinct spending categories to be used through FY 2027.

- **FY 2023 Gap.** When the FY 2022 budget became law in July, the House Fiscal Staff's out-year forecast showed a structural imbalance averaging about \$200 million annually. It assumed no policy solution that reduces state expenses at Eleanor Slater Hospital and that the \$39.0 million set aside in the event of an early

end to the enhanced Medicaid match is not available for use in FY 2023. It noted that these both presented opportunities to close the FY 2023 budget gap. It also did not assume use of any of the \$1.1 billion in American Rescue Plan Act stabilization funds for general use over the next few years, which is an allowable use of these funds in accordance with revenue replacement guidelines.

A significant revenue uptick in the preliminary closing data as well as the November consensus revenue estimate for FY 2022 alone resulted in nearly \$500 million in additional resources, effectively eliminating the budget gap, though most of that would be considered non-recurring. The consensus revenue forecast for FY 2023 also exceeded prior estimates, but to a much lower degree. On the expenditure side, the federal government further extended its enhanced Medicaid support for the current year, freeing up over \$80 million of additional one time resources. The Governor's FY 2023 budget uses most of the one-time general revenues to fund capital projects and other non-recurring expenses, some of which will produce savings in later years. It also proposes a solution to resume a higher level of federal cost sharing at the state hospital. The budget does include considerable resources to fund agreements reached with public employee unions for wage increases. The adjustments for FY 2023 include retroactive increases that combine to add 7.5 percent to base wage assumptions; out-year forecasts typically assume more modest growth.

- ***Out-Year Projections.*** The out-years continue to be unbalanced. The forecast included with the Governor's budget estimates a \$215.3 million gap for FY 2024, declining somewhat in later years but still averaging about \$200 million annually. The FY 2024 gap includes the impact of use of about \$130 million of surplus funds in FY 2023 as well as the last increment of ongoing car tax phase-out. The forecast also assumes the impact of new proposals including increased commitments for Medicaid program expansion, tax exemptions and child care expenses. Some of that is offset by growth in newly proposed revenues and expenditure savings from one-time investments. Staff review of these assumptions including education aid projections and the impact of expiring federal funds is ongoing.

Taxes and Revenues

- ***Corporate Minimum Tax.*** The Governor proposes reducing the corporate minimum tax from \$400 to \$375 effective January 1, 2023. This was last decreased from \$450 to \$400 effective January 1, 2017 and had been as high as \$500. The proposed change is expected to impact 65,000 entities. The FY 2023 recommendation lowers revenues by \$0.8 million to account for a half year impact; annualized the loss would be \$1.6 million.

- ***Military Pensions.*** The Governor proposes phasing out the taxation of military service pensions over the next five years with a 20.0 percent reduction for tax year 2023. The recommended budget reduces FY 2023 revenues by \$0.7 million to account for the first year's impact. The lost revenues would grow incrementally to \$5.8 million when the exemption is fully phased in.

- ***Delinquent Taxpayer Penalty.*** The Governor proposes changing the interest rate associated with certain delinquent tax payments, such as from income and corporate taxes, from 18.0 percent to 12.0 percent beginning tax year 2023. The budget assumes a revenue loss of \$2.5 million for FY 2023 that annualizes to \$6.4 million in FY 2024 and grows further as a greater share of delinquent taxes are subject to the lower rate.

- ***Motorcycle Trade-in Exemption.*** The Governor proposes exempting the trade-in value of motorcycles from the sales tax on a new motorcycle purchase and assumes a revenue reduction of \$0.1 million for FY 2023 which is based on an October 1 implementation. This would annualize to \$0.2 million for FY 2024.

- ***Adult Use Marijuana Program.*** The Governor's budget authorizes and establishes regulation of an age 21 and older adult use marijuana program. The proposal includes automatic expungement of cannabis-related offenses but is otherwise similar to the Governor's FY 2022 proposal, which the Assembly did not enact. The FY 2023 budget recommendation assumes \$1.2 million in new revenues from the program. It

includes \$0.8 million from new excise and weight based taxes plus the sales tax; it assumes an effective 20.0 percent tax rate. It also includes departmental receipts of \$0.4 million from licensing fees for new industries. The proposal would allocate 25.0 percent of revenue for regulatory costs across various agencies, 15.0 percent to municipalities, and 60.0 percent to the general fund. The Governor's budget assumes revenues annualize to \$18.0 million. The Governor's budget also adds 24.0 full-time equivalent positions across five departments, including 13.0 positions for Business Regulation, 4.0 positions for Revenue, 2.0 positions for Health, 2.0 positions for Behavioral Healthcare, Development Disabilities and Hospitals, and 3.0 positions for Public Safety.

- **DEM Regulatory Fees.** The Governor's budget includes \$0.6 million in additional revenue from new or increased Department of Environmental Management regulatory fees. This represents 13 distinct adjustments relating to air, ground and water quality. The Governor's recommendation also adds \$500,000 and 6.0 new full-time equivalent positions for the Bureau of Environmental Protection to enhance customer service, support businesses, and manage the increase in recent permitting activity.
- **Nursing Home Rate.** The Governor's recommended budget adds \$3.1 million, including \$1.4 million from general revenues, to account for his proposed 3.0 percent nursing home rate adjustment for FY 2023 that totals \$8.5 million, including \$3.8 million from general revenues. This replaces the 1.9 percent increase included in the November Caseload Estimating Conference estimate which is based on a national nursing home index, consistent with current law.
- **Cottage Food Manufacturers.** The Governor proposes allowing individuals to use home kitchens to make baked goods for retail sale, with sales capped at \$25,000, effective November 1, 2022. The budget assumes revenues of \$12,610 from a new \$65 licensing fee. It also adds \$0.1 million from general revenues to support 2.0 new full-time equivalent positions in the Department of Health to oversee the program.
- **Rebuild Rhode Island Tax Credit.** The Governor's budget raises the award cap for the Rebuild Rhode Island Tax Credit program from \$210.0 million to \$225.0 million and extends the sunset date one year to December 31, 2023. The program provides real estate development tax credits for qualified construction, which are redeemed over time. The budget also includes \$13.5 million from general revenues to continue funding existing commitments. Through FY 2022 the state has allocated \$134.7 million to satisfy commitments already made.
- **Wavemaker Fellowships.** The Governor's budget includes \$2.4 million from general revenues to fund the student loan forgiveness program enacted by the 2015 Assembly that provides up to four years of loan forgiveness for degrees in the fields of natural or environmental sciences, computer technology, engineering or medicine. Recipients must work at least 35 hours per week for an employer located in the state; two-thirds of the awardees must be permanent residents of the state. The Governor's proposal includes \$0.8 million more to expand eligibility to healthcare professionals. It also extends the sunset one year to December 31, 2023.

Commerce and Workforce

- **Air Service Development Fund.** The Governor's budget includes \$2.3 million from general revenues to recapitalize the Air Service Development Fund used to reimburse marketing expenses for airlines connecting to T.F Green Airport. The program currently has no funds, as the 2020 Assembly recaptured \$0.5 million of unspent excess funds. The proposal also extends the sunset date one year to December 31, 2023.
- **ARPA - Blue Economy Investment.** The Governor's budget includes \$70.0 million from State Fiscal Recovery funds for blue economy-related capital investments. Investment areas include, but are not limited to, ports and shipping, defense, marine trade, ocean-based renewables, aquaculture, and tourism.

- **ARPA - Bioscience Investments.** The Governor's budget includes \$30.0 million from State Fiscal Recovery funds for a new project to finance a wetlab facility and technology development supports. The investment is intended to make it easier for academic research to find private sector applications. Lack of wetlab space appropriate for use by newly founded life science companies is specifically noted as an obstacle for biomedical innovation in Rhode Island's 2020 Comprehensive Economic Development Strategy.
- **Commerce Corporation - Operations.** The Governor's budget includes \$8.0 million from general revenues to support operations of the Rhode Island Commerce Corporation. This is \$0.3 million more than enacted to reflect updated staffing and lease costs.
- **Experimental Program to Stimulate Competitive Research (EPSCoR).** The Governor recommends the enacted amount of \$0.9 million for the National Science Foundation's Experimental Program to Stimulate Competitive Research.
- **Innovate RI Small Business Programs.** The Governor's budget includes the enacted level of \$1.0 million to support Small Business Innovation Research grants and the Bioscience and Engineering Internship programs.
- **Innovation Initiative.** The Governor's budget includes the enacted level of \$1.0 million from general revenues to support the innovation voucher and network matching grant initiatives. Vouchers up to \$50,000 are for small businesses with less than 500 employees for research and development assistance from a Rhode Island university, research center or medical center, or to a small business manufacturer for internal research and development. Network matching grants are available for specified industries for technical assistance or access to capital.
- **I-195 Redevelopment Fund.** The Governor's budget proposes to extend the sunset of the I-195 Redevelopment Fund one year to December 31, 2023. Recent prior budgets included a total of \$28.0 million from general revenues to support the fund which provides developers and businesses with financing for capital investment, including land acquisition to promote the development of the former highway land administered by the I-195 Redevelopment District Commission. The Commission had active commitments of \$25.5 million as of December 2021.
- **ARPA - Minority Business Accelerator.** The Governor's budget includes \$10.0 million from State Fiscal Recovery funds to establish a new minority business accelerator. The proposal includes technical assistance, loans, and programming space.
- **P-Tech Initiative.** Recent prior budgets included a total of \$2.3 million to establish partnerships between high schools, higher education institutions, and employers to offer courses towards high school diplomas and associate's degrees. The program is estimated to have \$0.6 million of available resources after administrative costs. The Governor proposes extending the sunset one year to December 31, 2023.
- **Polaris Manufacturing Extension Partnership.** The Governor's budget includes the enacted amount of \$350,000 from general revenues to support Rhode Island manufacturers by continuing to deploy technical experts to provide LEAN training facilities layout and to provide assistance in manufacturing optimization. Polaris Manufacturing Extension Partnership is a Providence-based nonprofit organization that also receives funding from the National Institute of Standards and Technology to subsidize its consulting services to smaller manufacturing business owners, and fund awareness activities and educational seminars.
- **Small Business Assistance Program.** The Governor's budget includes the enacted level of \$0.7 million from general revenues to recapitalize the Small Business Assistance Program for businesses with less than

200 employees that are having difficulties obtaining financing from traditional lending organizations. The program has \$2.1 million in loanable funds as of December 2021. The maximum amount that any one business can obtain from the fund is \$750,000. The program provides a set aside provision for between 10.0 percent and 25.0 percent of the funding for a microloan program to be administered by a third-party with expertise in microloans. The Governor also proposes extending the sunset one year to December 31, 2023.

- **ARPA - Small Business Access to Capital.** The Governor's budget includes \$20.0 million from State Fiscal Recovery funds for a new program to provide working capital, refinancing assistance and low cost financing for small business capital purchases. The proposal includes grants and loans to support direct payments, lines of credit, loan insurance, and other lending supports.
- **ARPA - Small Business Technical Assistance.** The Governor's budget includes \$45.0 million from State Fiscal Recovery funds to provide grants and technical assistance to businesses impacted by the COVID-19 pandemic. The recommendation includes \$32.0 million contained in 2021-H 6494, Substitute A, signed into law on January 4.
- **Small Business Development Center.** The Governor's budget includes the enacted amount of \$700,000 from general revenues for the Small Business Development Center at the University of Rhode Island.
- **Supply RI.** The Governor's budget includes \$0.7 million from general revenues for the Supply RI program, which connects small suppliers with the state's largest commercial purchasers by developing infrastructure to facilitate engagements, including supporting Commerce Corporation staff. This is \$0.4 million more than enacted.
- **Back to Work Rhode Island.** The Governor's revised budget includes \$7.2 million, \$2.3 million less than enacted from federal Coronavirus Relief funds for the Back to Work Rhode Island program. The funding was available through December 31, 2021. Created in response to the pandemic, the program provides resources and training to create job opportunities for Rhode Islanders. Functionally similar to Real Jobs RI, the program partners directly with businesses which provide training program ideas.
- **ARPA - Enhanced Real Jobs.** The Governor's budget proposes to utilize \$40.0 million from State Fiscal Recovery Fund resources to further support the Real Jobs RI workforce training program.
- **Real Jobs RI.** The Governor's budget also includes \$9.6 million from other sources for the Real Jobs RI program. This includes of \$6.1 million from general revenues, \$0.4 million from federal funds and \$3.2 million from Governor's Workforce Board restricted receipts.
- **Back to Business.** The Governor's revised budget includes \$7.7 million from federal Coronavirus Relief funds for a program announced in November 2021 to connect businesses with job seekers. The funding was available through December 31, 2021 and provided grants to employers with fewer than 200 employees that have experienced pandemic-related job losses and continue to experience a labor shortage. Grants were used for sign-on bonuses for new hires, referral incentives for existing employees that recruit new hires, and other recruitment activities. The maximum grant amount was \$5,000, with a \$1,000 cap on recruitment incentives.
- **Inmate Apprenticeship, Training and Employment.** The Governor's budget includes \$0.5 million from general revenues for the inmate workforce development program authorized in the enacted budget for the Department of Corrections through the Real Jobs RI program in conjunction with the Department of Labor and Training. State and contracted staff train and connect individuals with post-release employment opportunities.

- ***ARPA - Assistance to Impacted Industries.*** The Governor’s budget includes \$28.5 million from State Fiscal Recovery funds to address the negative impacts of the pandemic to the tourism, hospitality, and events industry. The revised recommendation includes \$13.0 million authorized in 2021-H 6494, Substitute A, which became law on January 4; the remaining \$15.5 million is programmed for FY 2023.
- ***Small Business Development Fund.*** The Governor proposes to modify the Small Business Development Fund Act. Changes include expanding lender eligibility, altering the selection process, expanding the types of taxes that credits apply against, and allowing credits to be transferred and sold.
- ***Urban Ventures.*** Consistent with the enacted budget, the Governor’s budget includes \$140,000 for Urban Ventures, a 501 (c)(3) urban minority business incubator. This is assumed to satisfy the state’s responsibility to support a non-profit urban business incubator, pursuant to Rhode Island General Law, Section 42-64-13.1(e).
- ***Chafee Center at Bryant.*** The Governor’s budget includes the enacted amount of \$476,200 for the Chafee Center at Bryant University. As the state’s designated State International Trade Office, its consultants work with local companies to offer guidance and advice to initiate and/or develop international trade opportunities.
- ***ARPA - Main Streets Revitalization.*** The Governor’s budget includes \$5.0 million from State Fiscal Recovery funds to recapitalize the Main Street RI Streetscape Improvement Fund. The 2015 Assembly authorized the Commerce Corporation to award loans, matching grants and other forms of financing to enhance sidewalks, wayfinding signage, and lighting in order to create an attractive environment in local business districts. The program has been appropriated \$3.0 million, all of which has been awarded. The proposal also extends the scheduled sunset date one year to December 31, 2023.
- ***ARPA - South Quay Terminal.*** The Governor’s budget includes \$35.0 million from State Fiscal Recovery funds, intended to represent phase one of a larger project, and would fund design and initial waterfront development. The proposal includes \$12.0 million for FY 2023 and \$23.0 million for FY 2024. Since FY 2020, the Commerce Corporation has awarded \$15.0 million from Rebuild Rhode Island tax credits and \$0.2 million in Site Readiness grants to Rhode Island Waterfront Enterprises for initial dredging, infrastructure upgrades, and design work needed to support a proposed new South Quay Marine Terminal in East Providence to accommodate offshore wind development.
- ***ARPA - Port of Davisville.*** The Governor’s budget includes \$60.0 million from State Fiscal Recovery funds to support infrastructure at the Port of Davisville. The proposal would expand on existing funding to develop port infrastructure intended to create job opportunities, invest in marine transportation, and make capital improvements to prepare for offshore wind development.
- ***Port of Davisville Modernization.*** The Governor’s budget includes \$20.0 million of general obligation bond proceeds approved by the voters in a March 2, 2021 special election for infrastructure improvements at the Port of Davisville for its existing businesses and offshore wind projects.
- ***Port of Providence.*** The Governor’s budget includes \$20.0 million from general obligation bond funds approved by the voters on the November 2016 ballot to increase terminal capacity at the Port of Providence by funding the acquisition of up to 25 acres of land located between Allens Avenue in Providence and the Providence River and associated infrastructure improvements. Only \$28,808 has been spent since 2016.
- ***Quonset Piers.*** The Governor’s budget includes a total of \$83.1 million for extension and renovation of the Quonset Business Park’s pier 2. This includes \$50.0 million of general obligation bond proceeds approved by the voters in November 2016, \$13.1 million from Rhode Island Capital Plan funds, and \$20.1 million from Quonset Development Corporation resources, including \$12.8 million from bonds authorized

by the 2016 Assembly, secured with its own revenues. This shifts \$3.1 million more in costs to state resources instead of corporation resources.

- ***Industrial Site Development.*** The Governor's budget includes \$40.0 million from general obligation bond proceeds approved by the voters in a March 2, 2021 special election for an initiative administered by the Quonset Development Corporation to provide small grants for pre-development purposes and competitively fund other projects to acquire industrial sites and develop facilities that create job-producing activities.
- ***Innovation Campus Bond.*** The Governor's budget includes \$20.0 million from general obligation bonds approved by the voters on the November 2016 ballot for the construction of one or more innovation campuses affiliated with the University of Rhode Island. Through October 2019, the Executive Office of Commerce has announced five awards totaling \$14.4 million; \$5.6 million remains available for future awards. Through FY 2021, \$1.1 million has been spent.
- ***Quonset Piers.*** The Governor recommends a total of \$83.1 million for extension and renovation of the Quonset Business Park's pier 2. This includes \$50.0 million of general obligation bond proceeds approved by the voters in November 2016, \$13.1 million from Rhode Island Capital Plan funds, and \$20.1 million from Quonset Development Corporation resources, including \$12.8 million from bonds authorized by the 2016 Assembly, secured with its own revenues. Compared to the approved plan, the recommendation shifts \$3.0 million in expenses intended to come from Corporation resources to Rhode Island Capital Plan funds.
- ***Quonset Point Infrastructure.*** Consistent with the approved plan, the Governor's budget includes \$14.0 million from Rhode Island Capital Plan funds for infrastructure improvements at the Quonset Business Park, including \$3.1 million for FY 2022. Work includes increasing roadway crossing capacity and utility relocation for additional future development of heavier shipping weights, construction of a new pier and dredging a new approach to that pier. These funds would support total estimated project costs of \$34.5 million, with the remaining expenses paid by tenants of the Quonset Business Park.
- ***Port of Davisville Infrastructure at Quonset.*** The Governor recommends \$20.0 million from general obligation bonds approved by the voters in March 2021 to support the port's master plan through the construction of a new pier at terminal 5, rehabilitation of Pier 1, dredging, and activities to support the anticipated development of offshore wind project cargo and logistics. The project is intended to reconfigure the port to provide additional berthing and growth. Compared to the approved plan, the recommendation shifts \$3.0 million from FY 2022 to FY 2023.
- ***Port of Providence.*** The Governor's budget includes \$20.0 million from general obligation bond funds approved by the voters on the November 2016 ballot to increase terminal capacity at the Port of Providence by funding the acquisition of up to 25 acres of land located between Allens Avenue in the City of Providence and the Providence River and associated infrastructure improvements. The recommendation delays \$5.0 million of expenditures by one year to FY 2023. Only \$28,808 has been spent since 2016.
- ***I-195 Redevelopment Commission Capital.*** The Governor's budget includes \$1.4 million from Rhode Island Capital Plan funds for professional, legal, and engineering services related to the maintenance and marketability of the I-195 land. This includes \$0.6 million in FY 2022 and \$0.8 million in FY 2023.
- ***I-195 Park Infrastructure.*** The Governor's budget includes \$4.0 million from general obligation bond funds approved by the voters in March 2021 for the development of physical infrastructure at the I-195 Redevelopment District's parks. This includes facilities for concessions, restrooms, expanded utility services, and trash receptacles.

- ***Liquor-To-Go Sunset Repeal.*** The Governor's budget proposes to repeal the March 1, 2022 sunset provision for the temporary provisions which allow brewpubs, restaurants, and tavern liquor license holder to sell limited amounts of wine, beer, or mixed liquors in sealed containers with take-out food orders, making the policy permanent.
- ***ARPA - Broadband Infrastructure.*** The Governor's revised budget includes \$0.5 million from State Fiscal Recovery funds enacted in 2021-H 6494, Substitute A, which became law on January 4, for broadband infrastructure planning work. It includes a needs assessment, statewide mapping of broadband access and cost, and one new Broadband Director Position at the Commerce Corporation.
- ***ARPA Capital - Last-Mile Broadband.*** The Governor's budget includes \$25.0 million from State Fiscal Recovery Capital Projects funds for a new project to expand reliable, high-speed internet. The proposal will provide municipalities, public housing authorities, businesses, and internet service providers with funding to expand internet access to underserved communities. Funds are meant to serve as the state match for at least \$100.0 million in federal broadband funds that Rhode Island is eligible for under the Infrastructure Investment and Jobs Act.
- ***Tort Court Awards.*** The FY 2022 revised budget includes an additional \$330,000 from general revenues for a total of \$980,000 to pay for any liability claims against any state department or any state worker. The FY 2023 budget includes \$675,000.
- ***Shepard Building.*** The capital budget does not include expenditures for asset protection beyond FY 2024, reflecting the administration's renewal of a prior plan to sell the building.
- ***State House Renovations.*** The capital budget includes a total of \$64.7 million from Rhode Island Capital Plan funds for renovations of the State House. This is \$43.2 million more than the approved plan and includes \$37.5 million to update the building's mechanical, electrical and plumbing systems, and additional funding for asset protection projects and exterior renovations.
- ***ARPA - Unemployment Insurance Trust Fund Contribution.*** The Governor's budget proposes to reserve \$30.0 million from State Fiscal Recovery funds in the event it is needed to prevent an increase in the unemployment tax rate.
- ***Unemployment Insurance Benefits.*** The Governor's budget includes \$203.5 million from the Unemployment Insurance Trust Fund for the payment of unemployment insurance benefits. This is \$453.8 million less than enacted to reflect projected benefit recipients. Of the reduction, \$347.0 million reflects the end of enhanced benefits provided in response to the coronavirus emergency.
- ***Temporary Disability Insurance Benefits.*** The Governor recommends \$185.0 million from the Temporary Disability Insurance Trust Fund for benefit payments that protect eligible workers against wage loss resulting from a non-work related illness or injury. This is \$7.0 million more than enacted, based on updated data.
- ***Temporary Caregiver Insurance Benefits.*** The Governor recommends \$16.0 million from the Temporary Disability Insurance Trust Fund for the payment of caregiver benefits. This is \$1.0 million more than enacted, based on updated data.
- ***Uninsured Employers Fund.*** The Governor's budget includes \$0.1 million, \$0.8 million less than enacted, from workers' compensation restricted receipts for settlement payments from the Uninsured Employers Fund. Effective for injuries which occur on or after September 1, 2019, the fund pays employees for injuries on the job of an uninsured employer.

Housing

- ***Affordable Housing.*** The Governor's budget includes \$105.0 million from general obligation bonds for affordable housing support, including rehabilitation of existing structures and new construction for FY 2022 through FY 2026. This includes \$65.0 million approved by voters in March 2021 and \$40.0 million from general obligation bond funds approved by the voters in November 2016. The voters also approved \$10.0 million on the November 2016 ballot to improve properties that are blighted or in need of revitalization, of which the budget anticipates spending the last \$40,892 in the current year.
- ***ARPA - Affordable Housing Development.*** The Governor's budget includes \$90.0 million from State Fiscal Recovery funds to provide an enhanced level of gap financing. This creates an additional directed subsidy as a match to multiple sources of financing for affordable housing developments. The total includes \$15.0 million authorized in 2021-H 6494, Substitute, A signed into law on January 4.
- ***ARPA - Down Payment Assistance.*** The Governor's budget includes \$50.0 million from State Fiscal Recovery funds for a new program to provide down payment assistance to eligible first time homebuyers. The Governor proposes to grant awards of \$17,500 which would support approximately 2,800 households.
- ***ARPA - Predevelopment Program.*** The Governor's budget includes \$10.0 million from State Fiscal Recovery funds for a new program to reduce pre-construction barriers to housing development including prerequisite environmental studies and legal work.
- ***ARPA - Home Repair and Community Revitalization.*** The Governor's budget includes \$25.0 million from State Fiscal Recovery funds for a new program to support critical home repairs and redeveloping residential or commercial properties, and public and community spaces. This is similar to the program administered by Rhode Island Housing funded with \$10.0 million from general obligation bonds approved by the voters in November 2016; all remaining funds will be exhausted in FY 2022.
- ***ARPA - Site Acquisition.*** The Governor's budget includes \$25.0 million from State Fiscal Recovery funds to continue a site acquisition program administered by Rhode Island Housing which began during 2020 in response to the coronavirus pandemic. The program subsidizes developers to acquire property to develop into long-term affordable and supportive housing for people experiencing homelessness. The total includes \$12.0 million authorized in 2021-H 6494, Substitute A, which became law on January 4.
- ***ARPA - Workforce Housing.*** The Governor's budget includes \$20.0 million from State Fiscal Recovery funds to increase the supply of housing for Rhode Island families earning up to 120 percent of area median income.
- ***ARPA - Homelessness Infrastructure.*** The Governor's budget includes \$5.0 million from State Fiscal Recovery funds for a new program to increase facility capacity for individuals experiencing homelessness.
- ***ARPA - Homelessness Assistance Program.*** The Governor's budget includes \$21.5 million from State Fiscal Recovery funds to provide housing navigation, stabilization and mental health services for people experiencing homelessness. The recommendation includes the \$1.5 million authorized in 2021-H 6494, Substitute A, which became law on January 4 and requires monthly progress reports regarding achievement of these efforts.
- ***ARPA - Housing Strategic Plan.*** The Governor's budget includes \$2.0 million from State Fiscal Recovery funds for a statewide comprehensive housing plan to assess current and future housing needs, consider barriers to home ownership and affordability, and identify services needed for increased investments toward disproportionately impacted individuals and communities. These funds will support municipal planning efforts.

- ***ARPA - Affordable Housing Capacity.*** The Governor's budget includes \$1.5 million from State Fiscal Recovery funds for contracted consultants to provide administrative support to the Office of Housing and Community Development. The funding is intended to assist with managing the increased resources for federal and other housing related programs and address the lack of administrative capacity as a barrier to implementing affordable housing initiatives. The total includes \$0.5 million authorized in 2021-H 6494, Substitute A, which became law on January 4.
- ***Emergency Rental Assistance.*** The budgets include a total of \$347.0 million from federal funds authorized in the American Rescue Plan Act and the consolidated appropriations act for emergency rental assistance. This includes \$263.0 million, or \$29.0 million more than enacted for FY 2022 and \$84.0 million for FY 2023. Funds will be used to provide support, prospectively or in arrears, for rent and certain utilities expenses for low and very low income households. As of February 2, 2022, 29,876 applications totaling \$195.0 million of funding have been received, with 16,187 applications approved, totaling \$106.8 million of awards.
- ***Homeowner Assistance Fund.*** The budgets include \$25.0 million in each year from federal funds to assist homeowners of single to four family residences experiencing a pandemic-related hardship with mortgage and other financial assistance including insurance, utilities, internet, or other expenses to remain in their homes. Governor McKee announced the launch of the \$50.0 million homeowner assistance fund on January 10, 2022.
- ***Office of Housing and Community Development Expansion.*** The Governor's budget includes \$0.6 million from general revenues and 5.0 new full-time equivalent positions for the Office of Housing and Community Development. The funding is intended to assist with managing the increased resources for federal and other housing related programs and address the lack of administrative capacity as a barrier to implementing affordable housing initiatives.
- ***Livable Home Modification Grant Program.*** The Governor recommends unspent funds from the Livable Home Modification Grant Program be reappropriated to the following fiscal year, prospectively. The program provides 50.0 percent of the total retrofit costs, up to \$4,000 in funding to support home modifications and accessibility enhancements to allow individuals to remain in community settings.

Health Insurance

- ***ARPA - HealthSource RI Automatic Enrollment.*** The budgets include a total of \$0.8 million from State Fiscal Recovery funds, including \$0.5 million in FY 2022 and \$0.3 million in FY 2023 for HealthSource RI to automatically enroll qualified individuals who are transitioning off Medicaid at the end of the COVID-19 emergency into a qualified public health plan. The funding also supports one month of premiums.
- ***Health Insurance Market Integrity Fund.*** The Governor's budget includes \$18.6 million from all sources, including \$12.4 million from federal funds and \$6.2 million in revenue from the Shared Responsibility Payment penalty for individuals who do not have health insurance coverage, with certain exemptions. This includes \$18.0 million to make reinsurance payments to health insurance carriers and \$0.6 million is for program administration.
- ***Health Exchange Modernization Grant.*** The FY 2022 revised recommendation includes \$1.1 million from federal funds made available from the American Rescue Plan Act to upgrade the exchange's information technology systems.
- ***HealthSource RI.*** The Governor's budget includes \$11.6 million from all sources, including \$2.8 million from general revenues to support ongoing operating expenses for HealthSource RI.

- **ARPA - Health Spending Transparency and Containment.** The Governor's budget includes \$0.5 million from State Fiscal Recovery funds to support data analysis of healthcare claims. Data analysis of healthcare claims is intended to develop an annual cost growth target to be used as the benchmark to track and curb healthcare spending in the state.

Local Government

- **Distressed Communities Relief Fund.** The Governor recommends \$12.4 million from general revenues for the Distressed Communities Relief Fund; there is a redistribution of funding among qualifying communities based on updated tax levies. The recommendation reflects the exclusion of Cranston as an eligible community for FY 2023; no community is newly qualified. The year that a community no longer qualifies, it receives a transition payment of half its proportional share.
- **Motor Vehicles Excise Tax.** The Governor's budget funds the Motor Vehicles Excise Tax Phase-out program at the current law estimate of \$166.6 million for FY 2023; the FY 2022 revised amount includes \$126.5 million, \$13.1 million less than enacted based on updated data. The recommendation reflects \$40.1 million to fund the next increment of the phase down to reimburse communities for lowering the assessed value percentage and rates and raising the minimum exemption amount.
- **Payment in Lieu of Taxes Program.** The Governor recommends \$46.1 million from general revenues for the Payment in Lieu of Taxes program that reimburses cities and towns for property taxes that would have been due on real property exempted from taxation by state law. Municipalities may be reimbursed up to 27.0 percent of the tax that would have been collected if the property had been taxable, subject to appropriation. This recommendation is the same funding enacted for FY 2022 and equivalent to 25.7 percent and \$2.3 million less than full funding based on updated data. The enacted level represented 26.0 percent and \$1.8 million less than full funding based on prior data. Unlike prior years, the Department reports that the data update is not final and likely to be revised, which will affect the reported distribution.
- **Library Resource Sharing Aid.** The Governor recommends the enacted amount of \$9.6 million from general revenues for state support of public libraries. Current law allows 25.0 percent reimbursement of second prior year expenditures, subject to appropriation. The funds represent 22.4 percent; the FY 2022 budget provides a 21.8 percent reimbursement.
- **Library Construction Aid.** The Governor recommends \$1.9 million from general revenues to fully fund library construction aid requirements. The state reimburses libraries up to half the total costs for eligible projects on an installment basis for a period of up to 20 years. The payments do not begin until the state fiscal year following the completion, acceptance, and audit of the project.
- **Property Valuation Reimbursement.** The Governor recommends \$0.4 million from general revenues for FY 2023 to reimburse communities conducting property valuation updates. Current law requires that municipalities complete full revaluations every nine years with statistical updates every third and sixth year following a full revaluation.
- **Municipal Tangible Tax.** The Governor's budget proposes to allow municipalities to set a minimum threshold for tangible tax collections.
- **Airport Impact Aid.** The Governor recommends the enacted level of \$1.0 million for FY 2023 to the Commerce Corporation so that the Airport Corporation can provide impact aid payments to the seven communities that host the six state airports. The community payments are made proportionately based on the number of total landings and takeoffs.
- **ARPA - Municipal Learning Centers.** The Governor recommends \$15.0 million from State Fiscal Recovery funds to pilot municipal learning centers in 11 communities. Centers would provide educational

programming year-round, outside of school time. Programs would be available to students for free or through a fee-for-service rate structure. Funding is programmed from FY 2023 through FY 2025.

- **ARPA - Municipal and Higher Ed Matching Grants.** The Governor's budget includes \$46.7 million from State Fiscal Recovery Capital Project funds for matching grants to cities and towns to renovate or build community wellness centers that comply with the work, education and health monitoring requirements in federal guidelines for these funds. Subsequent information indicates that these funds are intended to be used in conjunction with the \$15.0 million proposed for municipal learning centers.
- **Local Fiscal Recovery Fund.** The Local Fiscal Recovery Fund from the American Rescue Plan Act provides for three distinct fund allocations: entitlement communities, non-entitlement communities, and counties. For local governments, this provides \$536.8 million, disbursed in two tranches of \$268.4 million each not less than one year apart. The Governor's budget includes the enacted level of \$132.0 million from federal funds to pass-through the second tranche of the non-entitlement and county aid allocations to municipalities. The enacted budget includes the first tranche, distributed in July and August 2021. Entitlement communities including Cranston, East Providence, Pawtucket, Providence, Warwick and Woonsocket will be provided \$136.5 million from each tranche directly. For those communities, only the county allocation will pass through the state budget.

Education Aid

- **Education Stabilization Funds to Districts.** Rhode Island has been awarded \$184.8 million under the Coronavirus Response and Relief Supplemental Appropriations Act and another \$415.0 million authorized under the American Rescue Plan Act of which at least 90.0 percent is for local education agencies. Across both bills, the state will receive \$599.9 million for elementary and secondary education. The enacted budget includes total awards of \$539.8 million from funds authorized in both acts to be directly distributed to districts. The Governor recommends \$88.2 million for FY 2022 and \$183.3 million for FY 2023; \$268.3 million would be available for use for FY 2024.
- **Funding Formula Assumptions.** The Governor funds the twelfth year of the education funding formula adopted by the 2010 Assembly. The calculation uses March 15, 2021 student enrollment data including projected charter school enrollments, a per pupil core instruction amount of \$11,050 and state share ratio variables updated with June 30, 2021 data. Aid amounts are subject to final student enrollment data collected in March 2022. The recommendation also holds local education agencies harmless from any reductions that would occur under the implementation of data updates in the funding formula for FY 2023. Those entities that receive more through the update would keep that increase. In the case where the update means less aid than FY 2022, districts would receive funding consistent with the FY 2022 enacted budget. The Governor includes \$49.7 million to implement this proposal which does not account for natural changes in enrollment related to school of choice attendance.
- **FY 2022 Data Correction.** The Governor's budget also holds local education agencies harmless from the impact of correcting data used to calculate FY 2022 aid for input errors by some communities. Following enactment of the FY 2022 budget, the Division of Municipal Finance adjusted local property value data used to determine the state's share of education costs to account for these errors. Correcting the data affects the state's share of education formula aid for 24 districts and 16 charter schools, with some getting more and some getting less and current law calls for those adjustments to be made the following year. The recommended budget does not reduce funding for districts that were overpaid.
- **FY 2023 Formula Education Aid.** The Governor recommends \$1,004.4 million for education aid for local school districts pursuant to the funding formula, excluding state schools and Central Falls. This is \$22.6 million more than enacted based on the assumptions noted above. The recommendation adds \$48.3

million to hold districts harmless from aid reductions produced by the funding formula and \$0.8 million for districts that were underpaid in FY 2022 from correcting data used in the aid calculation.

- ***Central Falls.*** The Governor recommends \$48.7 million of education aid for Central Falls, including \$38.5 million from formula aid and \$10.2 million in stabilization funding to assist the school district until the city can begin to pay its local share. The recommendation is \$1.0 million more than enacted from stabilization funding and includes \$1.3 million to hold the district harmless from a reduction in aid produced by the funding formula.
- ***Davies Career and Technical Center.*** The Governor's budget includes \$15.4 million of education aid for Davies Career and Technical Center. This includes \$9.3 million from funding formula aid and \$6.1 million from supplemental funding, which mitigates some of the losses in funding from the implementation of the funding formula and recognizes the additional costs associated with running a stand-alone school that offers both academic and career and technical education. Total funding is \$1.0 million more than enacted.
- ***Metropolitan Career and Technical School.*** The Governor recommends \$9.5 million of education aid for the Metropolitan Career and Technical School. This includes \$8.4 million from funding formula aid and \$1.1 million from supplemental funding, which mitigates some of the losses in funding from the implementation of the funding formula and recognizes the additional costs associated with running a stand-alone school that offers both academic and career and technical education. Total funding is \$0.1 million more than enacted.
- ***Early Childhood Funds/Prekindergarten.*** The education funding formula has an early childhood education category of aid that allows for additional resources from the state to increase access to voluntary, free, high-quality prekindergarten programs. The Governor recommends \$14.9 million from general revenues, consistent with the enacted budget.
- ***English Language Learners Funds.*** The Governor's budget includes \$5.0 million to support English language learners that are in the most intensive programs, consistent with the enacted budget. The funding is calculated at the level of 10.0 percent of the core instruction amount, applied to students in the most intensive English learner programs and ratably reduced to the appropriation. Funds may only be used on evidence-based programs proven to increase outcomes for English learners and are monitored by the Department of Elementary and Secondary Education.
- ***Career and Technical Education Funds.*** The education funding formula allows for additional resources from the state to help meet the initial capital investment needs to transform existing or create new comprehensive career and technical education programs and offset the higher than average costs of maintaining highly specialized programs. The Governor recommends \$4.5 million for FY 2023, which is consistent with the six prior years.
- ***Special Education Funds.*** The education funding formula allows for additional resources from the state for high-cost special education students when those costs exceed five times the district's combined per pupil core instruction amount and student success factor amount. The Governor recommends \$4.5 million for FY 2023, consistent with the six prior years.
- ***Non-Public School Transportation Funds.*** The education funding formula allows for additional resources from the state to districts for some out-of-district non-public school transportation costs. The Governor recommends \$3.5 million for FY 2023, which is consistent with the enacted level.

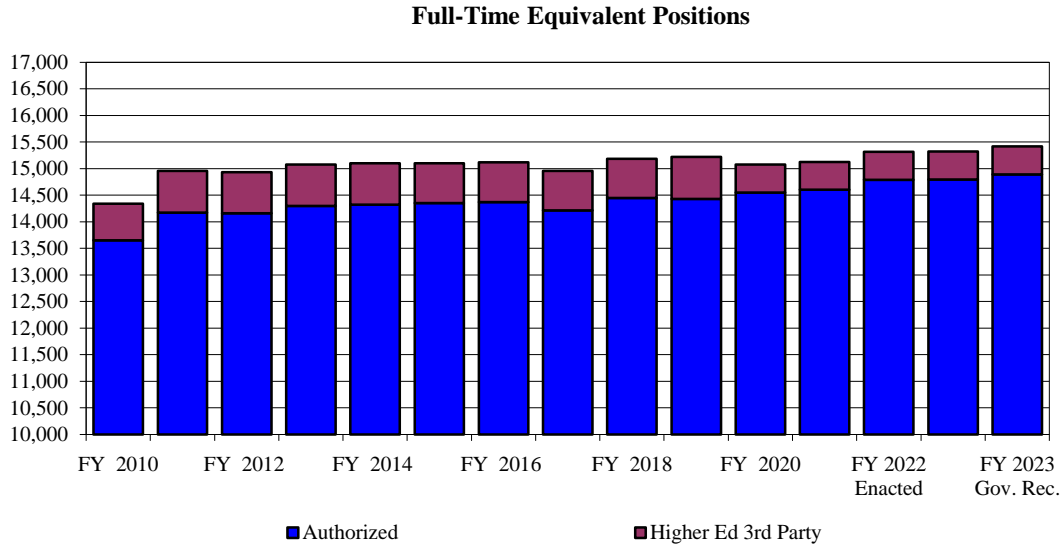
- ***Regional District Transportation Funds.*** The education funding formula allows for additional resources from the state to districts for some transportation costs within regional school districts. The Governor recommends \$4.2 million for FY 2023, which is consistent with the enacted level.
- ***School of Choice Density.*** The Governor recommends \$1.0 million from general revenues for traditional school districts with 5.0 percent or more resident students enrolled in schools of choice, including charter schools, Davies and the Met. Total funding for FY 2023 is consistent with the enacted budget and provides \$500 per pupil for any students enrolling in new and expanding charter schools since FY 2022. Actual aid would be subject to the March 2022 funding formula data update.
- ***School Construction Aid.*** The Governor recommends a total of \$88.5 million to fund projected costs of school housing aid to local districts for FY 2023, \$8.5 million more than enacted. This reflects funding for the traditional reimbursement program only; the Governor proposes to use \$50.0 million from general obligation bonds to be put before the voters on the November 2022 ballot for the School Building Authority Capital Fund.
- ***School Construction Bond.*** The Governor recommends \$250.0 million of general obligation bonds be submitted to the voters on the November 2022 ballot, of which \$50.0 million would support the School Building Authority Capital Fund and \$200.0 million would support local school construction projects. This is in addition to the \$250.0 million of general obligation bonds approved by the voters on the November 2018 ballot.
- ***Recovery High School.*** Consistent with the enacted budget, the Governor's budget provides \$0.5 million from general revenues to support the state's recovery high school, which provides programs to students recovering from substance abuse.
- ***Textbook Reimbursement.*** The Governor recommends the enacted level of \$240,000 for reimbursements allowed under the textbook reimbursement program. Under current law, the state reimburses districts for the cost of providing textbooks to non-public school students in the areas of English/language arts and history/social studies in kindergarten through 12th grade.
- ***School Breakfast.*** The Governor recommends the enacted level of \$270,000 from general revenues for the administrative cost reimbursements to districts for the school breakfast program. Food is paid from federal sources.
- ***Teacher Retirement.*** The state funds 40.0 percent of the employer's share of retirement contributions on behalf of teachers who are members of the teacher retirement system. The Governor recommends \$130.9 million from general revenues, or \$6.9 million more than enacted for the estimated costs of the state's share.

State Government

The Governor recommends \$2,467.5 million for personnel expenditures and 15,416.5 full-time equivalent positions, including 523.8 higher education positions dedicated for research or supported by other third-party funds. The recommendation is \$139.6 million less than the enacted budget, including \$93.3 million more for salaries and benefits and \$232.9 million less for contracted services, primarily one-time COVID-19 related expenses.

The recommendation includes staffing of 15,416.5 full-time equivalent positions, which is 103.3 more than enacted. The new positions include: 24.0 relating to the adult use marijuana proposal, 11.0 for a Mental Health Court, 7.0 for the Pandemic Recovery Office, 6.0 to enhance the permitting process in the Department of Environmental Management, and 4.0 for implementation of the Act on Climate. The

recommendation also reflects the conversion of eight contracted staff in the Executive Office of Health and Human Services to full-time equivalent positions.



As of January 1, 2022, there were 13,502.5 full-time equivalent positions filled, leaving 1,694.2 non-research vacancies. In FY 2021, the state averaged 13,896.5 filled full-time equivalent positions filled, and an average of 1,228.2 vacancies.

- Statewide Cost-of-Living Adjustments.** In late 2021, Governor McKee reached agreements with a majority of state employee unions that include cost-of-living adjustments of 2.5 percent annually from FY 2021 through FY 2024, for a total of 10.0 percent. It also includes two \$1,500 bonuses with one payable to current union employees as of the ratification of the contract and the second for those employed on July 1, 2022. His budget includes \$102.6 million in FY 2022 and \$203.5 million in FY 2023 to account for these agreements and assuming the pay increases also apply to non-union state employees. It does not account for potential costs where settlements have not yet been reached. The general revenue share is \$65.0 million in FY 2022 and \$126.3 million in FY 2023. The value of the bonus payments alone is \$21.4 million over the two year period with \$12.6 million from general revenues; it is applicable only to union employees.
- Deferred Pension Liability.** The Governor's budget allocates \$61.8 million from general revenues to the state pension system to pay off the liability remaining when the pension contributions were deferred in 1991 and 1992. The annual cost of this component of the unfunded pension liability is \$6.0 million from general revenues for the next 12 years.
- Workforce Efficiency, Classification and Compensation Study.** The Governor recommends \$2.0 million from general revenues to conduct a statewide compensation and job classification study.
- ARPA - Enterprise Resource Planning System - Implementation.** The 2021 Assembly provided \$50.0 million to develop a multi-year Enterprise Resource Planning System to include human resources, payroll, and financial management. The recommended budget includes \$2.2 million from State Fiscal Recovery funds for implementation costs. It also includes \$0.2 million from general revenues to fund an information technology project manager to support the system's implementation.

- **Information Technology Staffing.** The Governor's budget includes \$0.7 million to fund four information technology project manager positions within the Department of Administration's existing staffing authorization. The positions would be financed through agency charges.
- **Capital Asset Management and Maintenance Staffing.** The Governor's budget includes \$0.6 million to fund four capital projects related positions, including an associated director, a senior planner, a project manager and a wastewater monitor. The positions would be financed through agency charges and would be filled within the Department's existing staffing authorization.
- **Emergency Preparedness.** The budget includes \$230,000 to be financed through agency charges to improve safety and security at state facilities.
- **Transition Costs for General Officers.** The budget includes \$350,000 from general revenues for transition expenses for newly elected general officers. Current law requires that all newly elected general officers, prior to their engagement of office, shall be entitled to space for transition staff, adequate funds from the outgoing general office from the budget of that department for use to hire transition staff, obtain office supplies and equipment.
- **City Year.** The Governor's budget includes the enacted amount of \$130,000 from general revenues to City Year for the Whole School Whole Child Program, which provides individual support to at-risk students.
- **ARPA - Convention Center.** The budget includes \$47.0 million from the State Fiscal Recovery Fund, for the Convention Center Authority and Entities under its purview, including \$38.0 million for capital projects and \$9.0 million for operating expenses. There is an offsetting reduction of \$16.5 million of previously approved Rhode Island Capital Plan funds for these facilities.
- **Information Technology Investment Fund.** The Governor recommends transferring \$50.0 million from one-time general revenues to the Information Technology Investment Fund for new information technology projects. The largest ones are \$19.4 million to replace the Department of Labor and Training's Temporary Disability Insurance and the Employer Tax functions and \$22.4 million for an electronic Medical Records System for Eleanor Slater Hospital.
- **Labor and Training Technology Improvements.** The Governor recommends \$19.5 million from federal funds, including \$13.5 million for FY 2022 and \$6.0 million for FY 2023 for various projects to replace components of the Department of Labor and Training's information technology infrastructure with cloud-based systems. This includes replacing its central computer system, updating applications for its unemployment user portal and benefits navigator, and modernizing its call center technology.
- **Lottery Building Enhancements.** The Governor recommends \$1.1 million for FY 2023, including \$0.9 million from Rhode Island Capital Plan funds for improvements to the Lottery building, including installation of a generator. Only portions of the facility have a back-up power supply, which presents a risk to its equipment.
- **Police and Fire Relief Fund.** The Governor's budget includes \$4.1 million for FY 2022 and \$3.5 million for FY 2023 for the Police and Fire Relief program for annuity payments and in-state tuition to eligible spouses, domestic partners and dependents of certain injured or deceased police officers and firefighters. The revised recommendation includes an additional \$0.4 million for death benefit liabilities disclosed in the first quarter report.
- **ARPA - Tax Modernization.** The Governor's budget proposes to use \$2.3 million from State Fiscal Recovery funds to update the State Tax Administration and Revenue System.

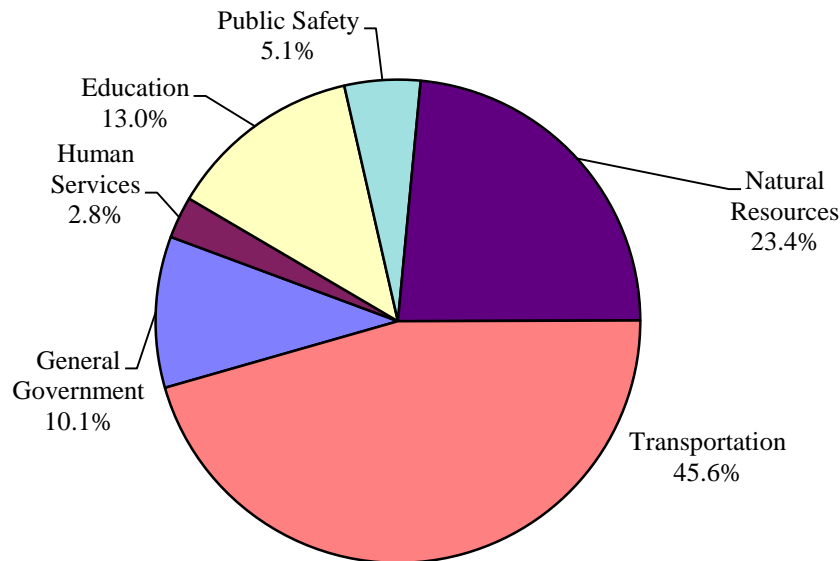
- **Commission on Human Rights.** The Governor recommends \$85,000 from general revenues for a new case management system in FY 2022 and \$25,000 from general revenues for its annual maintenance costs in FY 2023.
- **Public Financing of Elections.** The Governor's budget includes \$2.7 million for the public financing of elections required by Rhode Island General Law, Section 17-25-19. General officers are elected every four years, and the Board of Elections is responsible for administering and carrying out the mandates of the Campaign Contributions and Expenditures Act and the state's Matching Public Funds program.
- **Rhode Island Historical Society.** The Governor recommends the enacted level of \$125,000 in general revenue support for the Rhode Island Historical Society.
- **Newport Historical Society.** The Governor recommends the enacted level of \$18,000 in general revenue support for the Newport Historical Society.
- **Contingency Fund.** The Governor's budget includes the enacted amount of \$150,000 for the Governor's Contingency Fund.
- **Taxpayer Steward.** The Governor's budget includes \$0.1 million for 1.0 new full-time position within the Division of Taxation to assist individual and small business taxpayers resolve issues and provide recommendations and reporting.
- **ARPA - Blockchain Pilot.** The Governor's budget includes \$2.5 million from State Fiscal Recovery funds to implement a pilot program using blockchain technology for a limited number of certified public accountants for use in credential issuance, authentication, and automated compliance.
- **E-Permitting Expansion.** The Governor's budget includes \$1.2 million from general revenues to implement online construction permitting for all Rhode Island municipalities and hire one new systems administrator position. Municipalities are required under Rhode Island General Law, Chapter 27.3-108.2 to adopt online construction permitting by July 1, 2023.
- **License Plate Reissuance.** The Governor's budget assumes license plate reissuance begins on July 1, 2022 consistent with the schedule under current law.

Capital

- **Outlays and Funding.** The FY 2023 through FY 2027 plan includes \$7,789.2 million of outlays on \$16,827.3 million of project estimates. Average outlays would be \$1,557.8 million per year for the five-year period with \$941.5 million required at the end of the period to complete the projects.
- **General Obligation Bonds Referenda.** Financing the five-year plan is based on \$842.8 million of general obligation bond debt issuances. This includes \$250.0 million from new general obligation bonds for a second school construction bond to go before the voters in November 2022 with funding programmed to begin in FY 2024; the voters approved an initial \$250.0 million in November 2018. It also includes \$62.0 million for higher education institutions, including \$50.0 million for the University of Rhode Island's Narragansett Bay Campus and \$12.0 million for the Community College to renovate and modernize its campuses and \$38.0 million for environment and recreation projects. Past practice indicates that this will be significantly higher as more projects are added within the five-year period of this capital budget. The average bond referenda over the past five elections was \$289.4 million, including the \$400.0 million approved by the voters in a March 2021 special election.
- **Other Debt Approvals.** The Governor recommends \$28.5 million to be approved by the 2022 Assembly

under the Public Corporation Debt Management Act. This includes two projects at the University of Rhode Island, including \$13.0 million for the Facilities Service Sector Upgrade project and \$15.5 million for the Utility Infrastructure Upgrade Phase II Project.

FY 2023 - FY 2027 Capital Projects by Function



- **Financing.** Paying for the five-year outlays includes \$1,558.3 million from debt financing and \$6,230.8 million from current or pay-go sources. Pay-go represents 80.0 percent with debt funding being 20.0 percent. This is more pay-go funding than prior budgets largely in part to the inclusion of \$112.3 million from American Rescue Plan Act Capital Project funds.
- **Debt Levels.** Total net tax supported debt decreases during the period through FY 2027 by \$43.9 million from \$1,943.8 million to \$1,899.9 million. Past practice indicates that debt levels will be significantly higher as more projects are added within the five-year period of this capital budget.
- **Debt Ratios.** Net tax supported debt would decrease from 2.9 percent of personal income reported for FY 2021 to 2.3 percent in FY 2027 assuming that the capital budget is not increased. However, as with debt levels, past practice indicates it is likely to be higher than projected.
- **Rhode Island Capital Plan Fund.** The plan relies heavily on the use of Rhode Island Capital Plan funds, an important source of pay-go funds designed to reduce the need for borrowing. Total outlays for the five-year period are \$1,104.7 million. This includes the transfer of \$338.0 million from one-time general funding to the Rhode Island Capital Plan Fund, including \$100.0 million for the state match for federal transportation projects.

Debt Service

- **Convention Center Authority.** The Governor's budgets include \$24.7 million in FY 2023 from general revenues for the Convention Center Authority to cover debt service requirements, \$1.8 million more than enacted, based on a recent refinancing.
- **Garrahy Parking Garage.** The Governor recommends \$2.1 million in FY 2022 and \$1.9 million in FY 2023 for debt service for the Garrahy Parking Garage. The revised budget is \$0.4 million more than

enacted and the recommendation for FY 2023 assumes \$1.2 million in revenues to lower the state's debt service obligation. The recommendation does not assume state support beyond FY 2023.

- ***Historic Tax Credit Trust Fund Debt Service.*** The Governor recommends \$19.4 million from general revenues in both years to fund debt service for historic tax credits.
- ***Fidelity Job Rent Credits.*** The recommended budget includes \$1.0 million from general revenues for payments under the Fidelity Job Rent Credits agreement.

Public Health

- ***ARPA - Public Health.*** The Governor recommends \$150.1 million from State Fiscal Recovery funds to help the state continue its response to the COVID-19 pandemic. Funds would be used for testing, contract tracing, vaccinations, and mitigation efforts. The recommendation allocates \$50.0 million to support health care facilities.
- ***FEMA Contingency Reserve.*** The budget includes \$15.0 million from general revenues as a contingency reserve for COVID-19 related expenses, in the event reimbursements from the Federal Emergency Management Agency differ from budgeted assumptions.
- ***New State Health Laboratory.*** The capital budget includes \$81.8 million, all but \$0.1 million is from a federal Centers for Disease Control and Prevention grant to construct a new State Health Laboratory facility. The location for this has not been determined.
- ***Medical Examiners - New Facility.*** The capital budget includes \$5.0 million from Rhode Island Capital Plan funds previously approved to renovate a 20,280 square foot building in Cumberland for the Office of State Medical Examiners.

Health and Human Services

- ***Hospital Licensing Fee.*** The Governor's budget extends the hospital license fee at the current law rate of 5.725 percent based on 2020 revenues for FY 2023 for total revenues of \$170.2 million.
- ***Cover All Kids.*** The Governor's budget proposes to provide medical benefits to all children whose family income is at or below 250 percent of poverty, regardless of immigration status, through the Medical Assistance program. The budget adds \$1.3 million from general revenues for benefits assuming an October 1, 2022 start date and \$0.7 million from general revenues to make the system changes necessary to implement the program. The underlying assumptions are that nearly 1,500 children will eventually enroll with about 400 in the first year and full enrollment would cost approximately \$7 million annually.
- ***Post-Partum Coverage.*** The Governor's budget adds \$5.2 million, including \$3.5 million from general revenues, to extend full Medicaid coverage to two groups of women who are 12 months post-partum who currently receive a limited benefit. Coverage for the first group, which totals \$3.2 million, including \$1.4 million from general revenues, is a new state Medicaid option created by the American Rescue Plan Act for women who currently lose Medicaid coverage after 60 days post-partum and will extend the full Medicaid benefit to approximately 1,000 women. The second group is women who do not qualify for Medicaid because of immigration status, but whose birth was paid for by Medicaid because the child is covered. The budget adds \$2.0 million, entirely from general revenues, to provide full coverage to about 500 women. The budget also adds \$1.4 million, including \$0.8 million from general revenues, to make the necessary system changes.

- ***Meals on Wheels Rate Increase.*** The Governor's budget adds \$0.4 million, including \$0.2 million from general revenues, to increase current rates for standard meals from \$6.50 to \$12.00 and from either \$4.01 or \$6.50 to \$12.00 for frozen ones. The budget also establishes new rates for cultural meals at \$14.05 and therapeutic meals at \$12.17.
- ***McKinsey Opioid Settlement.*** The budgets include \$2.6 million from restricted opioid settlement funds, which must be used for treatment, recovery and prevention programs.
- ***Opioid Stewardship Fund.*** The Governor proposes legislation to transfer the Opioid Stewardship Act program administration, including staff from the Department of Health to the Executive Office of Health and Human Services. He recommends spending \$8.6 million for FY 2023, reflecting available funds. This includes \$2.9 million for the Department of Corrections' substance abuse counseling contract and Medication Assisted Treatment program and \$2.0 million in the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals to provide medications to uninsured individuals through the Medication Assistance Treatment program, enhance the Behavioral Health Online Database system, and provide services through the Recovery Friendly Workplace and Recovery Housing programs. The budget also includes \$2.5 million in the Executive Office of Health and Human Services for one new position, expanding the Prescription Drug Monitoring Program, supporting new initiatives and \$1.2 million in the Department of Health, of which \$1.0 million is to purchase naloxone.
- ***Developmental Disabilities - Transformation Fund and Technology Acquisition.*** The Governor includes a total of \$12.0 million for the Transformation Fund and \$2.0 million for technology purchases in his revised and FY 2023 recommended budgets to comply with parts of the Action Plan the state agreed in conjunction with its consent decree. This includes \$10.0 million in the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals and \$4.0 million in the Executive Office of Health and Human Services. It is intended to support community-based providers to improve the quality of, and access to, integrated community day and employment support programs, for developmentally disabled adults.
- ***ARPA - Home and Community Based Services.*** The Governor recommends \$118.1 million for FY 2022 and \$47.6 million for FY 2023 to reflect the provision of the American Rescue Plan Act that lets states reinvest savings from an enhanced Medicaid rate and expand home and community based services. The full plan has not been finalized but funding can support programs in the Departments of Children, Youth and Families, Health, Human Services, and Behavioral Healthcare, Developmental Disabilities and Hospitals.
- ***Direct Support Professionals Wage Increase.*** The Governor's budget includes \$35.1 million, of which \$16.1 million is from general revenues, to increase the reimbursement rate for direct support professionals from \$15.75 to \$18 an hour in FY 2023 in the community based system for adults with developmental disabilities in compliance with the action plan related to the consent decree with the Department of Justice.
- ***Developmental Disabilities Providers - Loan Write-Off.*** The Governor's budget includes \$12.6 million from general revenues to write off start-up loans given to the private providers to build the community based residential and day program network for adults with developmental disabilities that was needed after the state closed the Ladd Center.
- ***Rhode Island Psychiatric Hospital - Benton Facility.*** The Governor's FY 2023 budget includes \$30.6 million from general revenues to separate the 52-bed Benton facility from the Eleanor Slater Hospital system. The budget includes \$0.8 million for five new positions: Chief Executive Officer, Chief Medical Officer, Chief Nursing Officer, and Chief Quality Officer. Since the expenses for forensic patients at the Benton facility are not eligible for Medicaid reimbursement, this action separates them from the

approximately 150 medical and civil psychiatric patients, which gives the state a better opportunity to come into compliance with a patient mix to maintain federal compliance in order to bill Medicaid.

- **ARPA - Emergency Staffing.** The Governor recommends \$0.5 million from State Fiscal Recovery funds to support emergency staffing needs at both the Cranston and Zambarano campuses of the state hospital as well as the Benton Facility.
- **ARPA - Pediatric Recovery.** The Governor's revised budget includes \$7.5 million from State Fiscal Recovery funds authorized in 2021-H 6494, Substitute A, which became law on January 4, to provide relief to pediatric providers and incentivize increased screenings. The FY 2023 recommended budget includes another \$7.5 million.
- **ARPA - Early Intervention Recovery.** The Governor's revised budget includes \$5.5 million from State Fiscal Recovery funds authorized in 2021-H 6494, Substitute A, to provide relief to early intervention providers and provide performance bonuses for hitting certain target. The FY 2023 recommended budget includes another \$5.5 million for a total of \$11.0 million.
- **ARPA - Community Behavioral Health Clinics.** The Governor's budget includes \$28.1 million from State Fiscal Recovery funds to support the certified community behavioral health clinics to increase services and supports in response to mental health needs during the public health emergency.
- **ARPA - Crisis Intervention Trainings.** The Governor's budget includes \$550,000 annually for FY 2023 to FY 2026 from State Fiscal Recovery funds to provide training and technical assistance.
- **ARPA - 9-8-8 Hotline.** The Governor's budget includes \$1.9 million from State Fiscal Recovery funds for the creation of the 9-8-8 hotline to maintain compliance with the National Suicide Hotline Designation Act of 2020 and Federal Communications Commission-adopted rules to make sure there is a consistent level of service.
- **ARPA - Mental Health Court Pilot Program.** The Governor recommends \$4.2 million from State Fiscal Recovery funds to support a Mental Health Court pilot program. The proposal includes 11.0 full-time equivalent positions, with seven at the Judiciary, and two each at the Offices of the Attorney General and Mental Health Advocate. This District Court administered program is intended to reduce recidivism and divert volume from the criminal courts. The program anticipates treatment, monitoring, and additional support.
- **Medicaid Enterprise System.** The Governor includes \$53.3 million for the Executive Office of Health and Human Services to replace the current Medicaid Management Information System with a new Medicaid Enterprise System. This includes \$48.0 million from federal Medicaid funds matched by \$5.3 million from general revenues over five years beginning in FY 2023. The system is the primary means for processing Medicaid claims, third party liability review, and data management.
- **Eleanor Slater Hospital - New Facility.** The Governor's budget includes \$108.2 million from Rhode Island Capital Plan funds programmed through post-FY 2027 to build a new 100-bed facility on the Zambarano campus of Eleanor Slater Hospital.
- **Eleanor Slater Hospital - Electronic Medical Records System.** The Governor recommends \$22.4 million from Information Technology Investment funds for a new medical records system that would support administrative, financial, clinical and reporting activities at Eleanor Slater Hospital.
- **Community Facilities Asset Protection.** The Governor recommends the creation of a new project intended to provide asset protection funding at state-owned facilities leased or operated by non-profit

organizations, including the Groden Center, Civil Air Patrol, and possibly another ten facilities. The recommendation includes \$450,000 in FY 2023 and \$50,000 annually from FY 2024 through FY 2027.

- ***Veterans' Home Asset Protection.*** The recommended capital budget includes \$0.3 million from Rhode Island Capital Plan funds for asset protection projects at the Rhode Island Veterans' Home in Bristol. This is \$100,000 less than the approved plan. The recommendation also includes \$100,000 annually from FY 2024 through FY 2027, which is \$0.4 million less than annual funding assumed in the approved plan.
- ***Emergency and Public Communication Access Funds.*** The Governor recommends transferring an additional \$20,000, for a total of \$100,000 from the Emergency and Public Communication Access funds to the Commission for the Deaf and Hard of Hearing. These funds are derived from the monthly \$0.09 fee from the Dual Party Phone Relay Escrow Account.
- ***ARPA - RI Bridges Mobile and Child Care Tracking.*** The Governor recommends \$6.7 million from State Fiscal Recovery funds to expand the functionality of the HealthyRhode mobile application. Individuals would be able to apply and recertify through the app. Funding is programmed from FY 2023 through FY 2025.
- ***ARPA - Eligibility Extension Compliance.*** The Governor recommends \$0.8 million from State Fiscal Recovery in lieu of general revenues to maintain RI Bridges eligibility functions related to the coronavirus emergency. This includes shifting \$0.6 million from general revenue to federal funds for FY 2022 and \$0.2 million for FY 2023. Funding is programmed in the budgets of the Executive Office of Health and Human Services, Department of Human Services, and HealthSource RI.
- ***ARPA - Emergency Staffing RIVH.*** The Governor recommends \$0.1 million from State Fiscal Recovery funds to support emergency staffing needs at the Rhode Island Veterans' Home in Bristol, including pooled nurses.

Children and Families

- ***ARPA - Child Care Support.*** The Governor recommends \$42.0 million from State Fiscal Recovery funds programmed from FY 2022 through FY 2025 to provide retention bonuses for direct care staff at child care centers and licensed family-based care providers. Funds would also be used to waive any fees for new family child care providers, including application fees and background checks. It would also be used for quality improvements, creating a workforce registry, and education opportunities for direct care staff. This includes the \$19.0 million authorized in 2021-H 6494, Substitute A for FY 2022.
- ***Child Care Program Expansion.*** The 2021 Assembly established a pilot program for FY 2022 only to allow eligible low-income parents to receive child care assistance while they are enrolled in a Rhode Island public institution of higher education. The Governor recommends \$375,000 from federal funds to make that permanent.
- ***Child Care Eligibility Expansion.*** The Governor recommends \$2.7 million from federal funds to increase eligibility for the child care assistance program to 200 percent of the federal poverty level. Under current law, a family is eligible for child care assistance either through the Rhode Island Works program or if income is at or below 180 percent of federal poverty. However, income eligible families remain eligible until the family income exceeds 225 percent of poverty.
- ***Child Care Rates.*** The Governor's budget includes \$4.7 million from federal funds to increase rates for center-based child care providers. Rates paid to most providers are based on their performance according to the state's quality rating system. The 2021 Assembly increased payments for first tier infant, toddler and preschool age providers above the 25th percentile of a 2018 market survey and payments for

top tier providers above the 75th percentile. It also increased rates for school-age children by an average of about 26 percent and established a tiered system of reimbursement for this age group. The Governor recommends increasing rates based on the 2021 market rate survey, with first tier providers being reimbursed at the 40th percentile of the survey. Some providers would be reimbursed up to the 80th percentile. Rates would increase between 3.0 and 12.4 percent depending on the age group and provider rating; however, it appears to be an average increase of 6.8 percent per child.

- ***Child Care Enrollment Reimbursement.*** The Governor recommends \$1.3 million from federal funds for FY 2022 and \$1.5 million for FY 2023 to continue reimbursing child care provides based on enrollment rather than attendance. This policy was adopted in response to the coronavirus emergency; the enacted budget and November caseload estimates assume the policy would expire on December 31, 2021. The Governor's budget appears to assume the policy would be implemented permanently. No legislation is included in the budget as it would be implemented through rules and regulations.

- ***Child Care Co-Pays.*** The Governor recommends \$0.6 million from federal funds for FY 2022 to continue waiving co-payments for families participating in the child care assistance program. This policy was adopted in response to the coronavirus emergency; the enacted budget assumes the policy would expire on December 31, 2021. The recommendation appears to assume the policy will continue through June 30, 2022. The enacted budget also includes \$0.5 million from federal funds to limit the family share of child care assistance expenses to 7.0 percent of income beginning January 1.

- ***Rhode Island Works Income Disregard Increase.*** The Governor recommends \$150,000 from federal funds to increase monthly benefits to Rhode Island Works participants by excluding more of their income when calculating the benefit. The Governor proposes to increase the disregard from \$170 to \$300 per month.

- ***Rhode Island Works Resource Limit.*** The Governor recommends \$100,000 from federal funds to increase the resource limit to participate in Rhode Island Works from \$1,000 to \$5,000. Resources that count toward the limit include real property and personal property, such as cash, stocks, and bank accounts, among others. When the non-excluded resources exceed the resource limit, the applicant is ineligible or assistance is discontinued.

- ***ARPA - Female Youth Facility.*** The Governor's budget includes \$6.0 million from federal State Fiscal Recovery funds to establish at least one state psychiatric residential treatment facility for female youth with behavioral health needs currently being served in out-of-state facilities.

- ***Early Learning Facilities Bond.*** On March 2, 2021, voters approved \$15.0 million from new general obligation bonds for physical improvements to early learning facilities, including daycare and other early childhood education programs. The Governor's capital budget programs \$3.0 million for FY 2022, \$5.2 million for FY 2023 and \$6.8 million for FY 2024.

- ***Council on Accreditation.*** The Governor's budget includes \$9.2 million for FY 2023 to support the Department's accreditation plan. The Governor's revised budget provides funding consistent with the enacted budget.

- ***DCYF Director Salary.*** The proposed budget includes language to allow the Governor to set the salary of the Director of the Department of Children, Youth and Families for 2022. Last year, the Assembly authorized this change to be effective for 2021 only to aid in the recruitment process for a new director; no one was hired by the end of the calendar year.

- ***Enhanced Claiming.*** The Governor's budget includes a general revenue savings of \$0.9 million from claiming Medicaid funds for youth who are recipients of home-based services who are otherwise not Medicaid eligible.
- ***ARPA - Provider Workforce Stabilization.*** The Governor's revised budget includes the \$12.5 million from federal State Fiscal Recovery funds passed by the Assembly in January 2022 for workforce stabilization payments in FY 2022 to direct care staff of congregate care and community based providers in contract with the Department of Children, Youth and Families.
- ***ARPA - Lead Abatement and Fire Safety Upgrades in Foster Homes.*** The Governor's budget includes \$1.9 million from federal State Fiscal Recovery funds for lead abatement and fire safety upgrades in foster homes. Funding is programmed for FY 2023 and FY 2024.
- ***DCYF Headquarters Feasibility Study.*** The Governor's budget includes \$250,000 from Rhode Island Capital Plan funds in FY 2023 to conduct a feasibility study for a future Department of Children, Youth and Families headquarters. The study will include options for leasing, purchasing, and constructing a facility.
- ***DCYF Group Homes Feasibility Study.*** The Governor's budget includes \$0.5 million from Rhode Island Capital Plan funds for a feasibility study on the development of four geographically diverse transitional housing groups for youth ages 18 to 26 with unstable housing, parents who need safe and stable housing temporarily to prevent a case from being opened up with the Department of Children, Youth and Families, and for parents with open cases with the Department for whom housing is the last barrier to reunification.
- ***DCYF Fleet.*** The Governor recommends disposing of all of the Department of Children, Youth and Families state owned vehicles by FY 2027 to have a fully privately leased fleet. In FY 2023, the recommendation assumes 39 state vehicles would be replaced with privately leased vehicles.
- ***RICHIST System Replacement.*** The Governor recommends \$28.0 million to replace the child welfare information system authorized by the 2021 Assembly. The recommendation includes \$16.8 million from the Information Technology Investment Fund and \$11.2 million from federal funds over four years and expects project completion in FY 2025.

Community Services and Advocacy

- ***ARPA - Nonprofit Assistance.*** The Governor recommends \$10.0 million from State Fiscal Recovery funds be provided to the Rhode Island Foundation in FY 2023 for assistance to nonprofits.
- ***Veterans' Programs and Services.*** The Governor recommends the enacted level of \$200,000 from general revenues to support various veterans programs and services with the Office of Veterans Services determining how the funding is allocated.
- ***Rhode Island Alliance of Boys and Girls Clubs.*** The Governor recommends \$350,000 for the Boys and Girls Club Project Reach program which provides homework assistance and afterschool activities, which is \$100,000 more than enacted.
- ***Day One.*** The Governor recommends \$267,000 from general revenues for Day One to provide outreach and supportive services relating to sexual assault. This is \$50,000 more than enacted.

- ***Institute for the Practice and Study of Non-Violence.*** The Governor recommends \$250,000 from general revenues to support the Institute's Violence Reduction Strategy program, \$50,000 more than enacted.
- ***Rhode Island Community Food Bank.*** The Governor recommends \$450,000 from general revenues for food collection and distribution through the community food bank, \$100,000 more than enacted.
- ***Community Action Agencies.*** The Governor recommends the enacted level of \$600,000 to support services provided by the state's community action agencies.
- ***Crossroads.*** The Governor recommends the enacted level of \$500,000 from general revenues to support activities provided by Crossroads Rhode Island that address homelessness and other related issues.
- ***Refugee Services.*** The Governor recommends new funding of \$100,000 from general revenues for immigrant and refugee support services, including \$50,000 through Higher Ground International and \$50,000 through the Refugee Dream Center.
- ***Domestic Violence Prevention Activities.*** The Governor recommends of \$400,000 from general revenues for domestic violence prevention activities contracted through the Rhode Island Coalition Against Domestic Violence and distributed to domestic violence shelters in the state, which is \$100,000 more than enacted.
- ***Senior Services Support.*** The Governor recommends \$1.0 million, from general revenues to support the state's senior centers through a grant process, which is \$0.2 million more than enacted.
- ***Meals on Wheels/Elderly Nutrition Services.*** The Governor recommends the enacted level of \$580,000 from general revenues for elderly nutrition services, including \$530,000 for Meals on Wheels.
- ***Respite Care.*** The Governor recommends the enacted level of \$325,000 to support the respite care program through the Diocese of Providence, also known as CareBreaks.
- ***Elder Housing Security.*** The Governor recommends the enacted level of \$85,000 from general revenues to implement security housing measures in elderly housing complexes.
- ***Long Term Care Ombudsman.*** The Governor recommends the enacted level of \$86,750 from general revenues for the long term care ombudsman. The Alliance for Better Long Term Care advocates on behalf of residents of nursing homes, assisted living residences, and certain other facilities, as well as recipients of home care services.

Higher Education

- ***Public Higher Education.*** The Governor's budget includes \$1,261.7 million for Public Higher Education institutions, including debt service. This includes \$12.5 million more from general revenues. The Governor's budget includes \$245.5 million from general revenues and \$523.9 million from all other unrestricted sources, including tuition and fees.
- ***Public Higher Education Tuition and Fees.*** The Governor's budget appears to assume tuition and fee increases consistent with the governing boards' approval of an increase of 2.5 percent at all institutions for in-state and out-of-state students.
- ***ARPA - Higher Education Academies.*** The Governor recommends \$22.5 million from State Fiscal Recovery funds to create higher education academies through the Office of Postsecondary Commissioner.

Funding will be used on direct supports such as targeted coaching and wraparound supports for those 16 and older to continue their education. The Office will implement a cycle of three academies: a fall academy focused on rising seniors and recent graduates, a summer academy focused on ensuring a seamless transition to postsecondary education or workforce training, and a spring academy focused on college readiness coursework and support to enroll in summer courses. The Governor's budget includes 3.0 new full-time equivalent positions for the Office to support this proposal.

- ***RI Promise Scholarship.*** The Governor recommends \$7.7 million, \$10,295 less than enacted, from general revenues to support the current Rhode Island Promise Scholarship at the Community College of Rhode Island based on updated projections.
- ***Need Based Scholarship and Grants.*** The Governor's budget maintains \$9.6 million from tuition savings fees and federal loan reserve funds for the Last Dollar Scholarship program for students with proven academic performance and financial need to attend Rhode Island's public higher education institutions.
- ***Dual and Concurrent Enrollment.*** The Governor's budget maintains the enacted level of \$2.3 million from tuition savings fees for the dual and concurrent enrollment initiative to allow qualified high school students to earn college credit at no cost to the student.
- ***College Crusade Support.*** The Governor's budget maintains the enacted level of \$3.9 million to support the operations and scholarship programs offered by the College Crusade of Rhode Island, including \$3.5 million from the GEAR-UP federal grant and \$0.4 million from general revenues. The federal grant provides funds to states and nonprofits to support eligible low-income and disabled students in pursuit of secondary school diplomas and to prepare for postsecondary education.
- ***Best Buddies.*** The Governor's budget includes the enacted amount of \$75,000 from general revenues for Best Buddies Rhode Island to support programs for children with developmental disabilities.
- ***Special Olympics Rhode Island.*** The Governor's budget includes the enacted amount of \$50,000 from general revenues for Special Olympics Rhode Island to support its mission of providing athletic opportunities for individuals with intellectual and developmental disabilities.
- ***Northern Rhode Island Education Center Staffing.*** The Governor recommends an increase of \$0.1 million from restricted receipts for 1.0 new full-time equivalent position for the Northern Rhode Island Education Center, increasing the total authorization for the two education centers to 11.0 full-time equivalent positions.
- ***State Crime Lab at URI.*** The Governor recommends \$1.5 million from general revenues for the State Crime Lab at the University of Rhode Island. This is \$0.2 million more than enacted reflecting additional funding for 2.0 new full-time equivalent employees that are to be filled within the University's current cap.
- ***CCRI Customer Relationship Management System.*** The Governor recommends \$750,000 from general revenues and tuition and fees to implement a customer relationship management platform to manage its students.
- ***Higher Education Bond.*** The Governor recommends \$62.0 million of general obligation bonds be submitted to the voters on the November 2022 ballot, which includes \$50.0 million for the University of Rhode Island's Narragansett Bay Campus Improvement project and \$12.0 million for the Community College of Rhode Island to restore and enhance academic and student support spaces on all four of the Community College's campuses.

- ***URI Facilities Service Sector Upgrade.*** The Governor’s budget includes authorization for Assembly approval of a \$13.0 million revenue bond for the Facilities Service Sector Upgrade project. Annual debt service would be supported by the University’s unrestricted budget and would not exceed \$1.2 million. Total debt service would not exceed \$23.0 million.
- ***URI Utility Infrastructure Upgrade Phase II.*** The Governor’s budget includes authorization for Assembly approval of a \$15.5 million revenue bond for the Utility Infrastructure Upgrade Phase II project. Annual debt service on the authorization would be supported by the University’s unrestricted budget and not exceed \$1.4 million. Total debt service would not exceed \$27.0 million.
- ***ARPA - Rhode Island College Student Services Center.*** The Governor recommends \$35.0 million from State Fiscal Recovery Capital Project funds for the College to create a centralized hub of student services that is convenient and accessible to all students.
- ***Public Higher Education Asset Protection.*** The Governor’s capital budget includes \$103.5 million from Rhode Island Capital Plan funds for asset protection projects at the institutions of public higher education for the five-year period of the capital plan. This represents a roughly 20 percent increase in prior annual funding levels.
- ***RIC Infrastructure Modernization.*** The Governor’s capital budget includes \$55.8 million from Rhode Island Capital Plan funds for to modernize the College’s infrastructure. This is \$8.3 million more than the approved capital plan.
- ***URI Fire Protection Academic Phase II.*** The Governor’s capital budget includes \$8.1 million from Rhode Island Capital Plan funds for the second phase of a two-phase project to upgrade existing fire alarm systems and install fire-suppressing sprinkler systems in all of the University’s academic and administrative buildings. This represents \$5.0 million more than the prior plan and advances work to FY 2023.
- ***URI Storm Water Management.*** The Governor’s capital budget includes \$4.7 million from Rhode Island Capital Plan funds for storm water improvements to existing drainage systems on campus. This is \$2.6 million more than the approved plan and advances funding to earlier years.
- ***URI Academic, Mechanical, Electrical and Plumbing Improvements.*** The Governor recommends \$17.9 million from Rhode Island Capital Plan funds for a new project to make mechanical, electrical, and plumbing improvements to the University of Rhode Island’s Fogarty and White halls. The recommendation programs \$4.7 million in FY 2023 and \$13.2 million in FY 2024.

Education and Arts

- ***COVID Relief - Education Stabilization Discretionary.*** The enacted budget includes the full \$60.0 million from federal funds authorized under the Consolidated Appropriation Act, and the American Rescue Plan Act. The Governor recommends \$14.7 million for FY 2022 and \$31.8 million for FY 2023; remaining funds would be available for use in FY 2024. Funds are supporting low performing districts through strategic planning and quality improvements, strengthening math and literacy instruction, redesign of certain high school courses, personalized students supports such as tutoring, summer education programing, educator training, and community engagement.
- ***Elementary and Secondary Education Staff.*** The Governor recommends \$0.3 million from general revenues for two new positions for the Department of Elementary and Secondary Education. This includes one position to support transformation of low-performing schools and another to support multilingual learner education.

- ***Hasbro Children's Hospital.*** The Governor's budget includes the enacted level of \$90,000 from general revenues to support the hospital school at Hasbro Children's Hospital.
- ***Child Opportunity Zones.*** The Governor's budget includes the enacted level of \$395,000 from general revenues to support child opportunity zones through agreements with the Department of Elementary and Secondary Education to strengthen education, health and social services for students and their families as a strategy to accelerate student achievement.
- ***Davies Health Care Classrooms.*** The Governor's capital budget includes \$5.0 million from Rhode Island Capital Plan funds to improve the health career program classrooms at Davies Career and Technical High School. Consistent with the approved plan, this includes \$0.5 million for FY 2022 and \$4.5 million for FY 2023.
- ***Fort Adams Trust.*** The Governor's budget includes the enacted level of \$30,000 from general revenues to support Fort Adams Trust's restoration activities.
- ***Waterfire Providence.*** The Governor's budget includes the enacted level of \$375,000 from general revenues to support operational costs of Waterfire Providence art installations.
- ***Arts Funds.*** The Governor recommends \$0.8 million from general revenues, consistent with the enacted level for grant awards through the Rhode Island State Council on the Arts.
- ***Cultural Arts Economy and State Preservation Grants.*** The capital budget includes \$7.0 million from general obligation bonds approved by the voters on the March 2021 ballot during a special election for renovations to public and nonprofit theaters and performance spaces with \$1.0 million of that reserved for qualifying projects at historic sites.

Public Safety

- ***Prison Population.*** The Governor's budget assumes a prison population of 2,357 which is three more inmates than the enacted population of 2,354. It assumes a revised FY 2022 population of 2,181 which is 173 less than the enacted assumption. Through the first five months of FY 2022, the average inmate population is 2,122 which is 59 less than assumed in the revised recommendation.
- ***Healthcare Services.*** The Governor's budget includes funding and authorization for 3.0 new full-time equivalent Certified Nursing Assistant positions for the Department of Corrections to expand its in-house medical capabilities, including purchasing four new hospital beds, resulting in a decrease in trips to hospitals and emergency rooms. The budget assumes this will result in net general revenue savings of \$0.3 million from a reduction in correctional officer overtime.
- ***Inmate Behavioral Healthcare.*** The Governor's capital budget recommendation includes \$250,000 from Rhode Island Capital Plan funds to conduct a feasibility study for a Behavioral Management Unit. The study will determine the appropriate site, needs, and cost for the Unit which must be designed for inmates who are seriously and persistently mentally ill. The enacted budget includes \$750,000 from general revenues to hire a consultant to assist with the design of a Transitional Care Unit, which has been renamed in the Governor's budget, and the consultant was hired in summer 2021.
- ***Medication Assisted Treatment.*** The Governor's budget includes \$3.7 million from all sources for the Medication Assisted Treatment program which includes services for individuals whose stay in the correctional facility would not typically qualify them for treatment. Funding will also be used to expand services to include peer navigation, transitional housing, opioid withdrawal management, and the installation of Narcan dispensary machines.

- ***Unachieved Overtime Savings.*** The Governor’s revised budget includes \$4.2 million from general revenues to restore unachieved correctional officer overtime savings. The declining population did not result in savings because of the need to house inmates in less dense settings in response to the pandemic. The budget also restores \$1.0 million of savings from the absenteeism initiative to limit only the overuse of sick time that was not implemented because of an ongoing labor dispute.
- ***Correctional Industries Program.*** The Governor’s revised budget includes \$1.9 million from general revenues to resolve an outstanding deficit in the Correctional Industries Program. This includes \$1.4 million to account for amounts owed to the general fund to cover prior operating losses and \$0.5 million to cover the current year projected shortfall. This program is intended to be self-supporting but has been running a deficit for years.
- ***ARPA - Correctional Facilities Wi-Fi.*** The Governor’s budget includes \$3.3 million from federal State Fiscal Recovery funds to establish internet access at correctional facilities to provide inmates with accessibility to online courses to expand education opportunities. Funding is programmed from FY 2023 through FY 2027.
- ***ARPA - Corrections Radio System.*** The Governor’s budget includes \$2.7 million from federal State Fiscal Recovery funds to purchase and install a radio and communication system at the adult correctional institutions.
- ***Automatic Expungement.*** The Governor’s budget includes \$0.7 million from new adult use marijuana restricted receipts for expenses related to implementation of automatic expungements for prior marijuana-related possession offenses. This includes \$0.4 million for the Office of the Attorney General and \$0.3 million for the Judiciary for contracted support, software and records management expenses, including overtime.
- ***Indigent Defense Program.*** The Governor’s budget includes \$5.1 million from general revenues for the Judiciary’s indigent defense program, which is essentially consistent with the enacted budget.
- ***Jurors’ Fees.*** The Governor’s budget includes \$0.2 million from general revenues to increase stipends paid to jurors from \$15 to \$25 effective July 1, 2022, consistent with the law enacted by the 2021 Assembly.
- ***Rhode Island Legal Services.*** The Governor’s budget includes the enacted level of \$0.1 million from general revenues for Rhode Island Legal Services to provide housing and eviction defense to indigent individuals.
- ***Rhode Island Coalition Against Domestic Violence.*** The Governor’s budget includes \$230,000 from general revenues for the Rhode Island Coalition Against Domestic Violence for the domestic abuse court advocacy project, consistent with the enacted budget.
- ***Judicial Asset Protection.*** The Governor’s budget includes \$8.1 million from Rhode Island Capital Plan funds programmed through FY 2027 for asset protection projects at judicial buildings, including security upgrades, courtroom restoration, fire suppression and alarm system upgrades, interior refurbishments to public areas and office spaces, lighting and elevator upgrades, consistent with prior funding levels.
- ***Judicial HVAC.*** The Governor’s budget includes \$4.6 million from Rhode Island Capital Plan funds programmed through FY 2027 for replacement, restoration, and cleaning of the heating, ventilation, and air conditioning systems for all judicial complexes, consistent with previously approved funding.

- ***Licht Judicial Complex Restoration.*** The Governor recommends \$3.0 million from Rhode Island Capital Plan funds for FY 2022 through FY 2026 for the restoration of the Licht Judicial Complex, consistent with previously approved funding.
- ***Garrahy Judicial Complex.*** The Governor recommends \$4.5 million from Rhode Island Capital Plan funds for FY 2024 and FY 2025 for the restoration of the Garrahy Judicial Complex, including repairing tiles, replacing flooring and carpets, repainting, woodwork, and refurbishing employee bathrooms, consistent with prior funding levels.
- ***Garrahy Courtroom Restoration.*** The Governor recommends \$2.0 million from Rhode Island Capital Plan funds programmed through FY 2025 for the restoration of the Garrahy courtrooms, including replacing courtroom seating and benches, sealing and repainting the walls, carpet replacement, and woodwork refinishing, consistent with prior funding levels.
- ***Murray Courtroom Restoration.*** Consistent with prior approvals, the Governor recommends \$0.7 million from Rhode Island Capital Plan funds for FY 2022 to restore the Murray Judicial Complex. Restoration projects include replacing courtroom seating and benches, sealing and repainting the walls, carpet replacement, and woodwork and ornamental plaster restoration.
- ***McGrath HVAC.*** Consistent with prior approvals, the Governor's capital budget includes \$0.2 million from Rhode Island Capital Plan funds for FY 2023 to replace all 18 heating, ventilation and air conditioning rooftop units at the McGrath Judicial Complex.
- ***ARPA - Survivors of Domestic Violence.*** The Governor recommends \$4.5 million from State Fiscal Recovery funds to provide supportive services to victims of domestic violence and assault. This includes \$1.0 million for FY 2023 and \$3.5 million for FY 2024.
- ***Emergency Management Performance Grant.*** The Governor's budget includes \$1.9 million from all sources, including \$0.9 million from general revenues, for a federal Emergency Management Performance grant received through the American Rescue Plan Act and the required state match.
- ***State Emergency Operations Center Upgrade.*** The Governor recommends \$0.5 million from Rhode Island Capital Plan funds for a new project to upgrade the State Emergency Operations Center. The Center serves as the coordinating center for all of state government during an emergency, including during the COVID-19 pandemic.
- ***Rhode Island Statewide Communications Network.*** The Governor recommends \$2.7 million from Rhode Island Capital Plan funds for a new project to upgrade the capacity of the statewide communications system network primarily in FY 2023 and FY 2024.
- ***Body-Worn Cameras Admin - New Positions.*** The Governor recommends \$0.6 million from general revenues over FY 2022 and FY 2023 to hire 2.6 full-time equivalent employees and a contractor to facilitate the implementation of the body-worn camera program beginning in FY 2022. New staff would address requests for the release of camera data and maintain the system in accordance with statewide policies established. The contractor will assist with the application process.
- ***Vehicle Cameras.*** The Governor's budget includes \$240,000 from general revenues to install vehicle cameras in all 155 State Police patrol vehicles.
- ***Vehicle Replacement.*** The Governor recommends \$0.6 million from general revenues and \$1.8 million from the State Fleet Revolving Loan Fund for State Police vehicle replacements.

- ***E-911 Emergency Management Dispatch - New Positions.*** The Governor recommends \$0.8 million from restricted receipts in the current year for 6.0 new full-time equivalent positions to implement the Emergency Medical Dispatch system, pursuant to Rhode Island General Law, Section 39-21.1-8 (d). The Governor includes \$0.8 million for FY 2023.
- ***Next Generation 911.*** The Governor recommends \$0.5 million from restricted receipts in the current year to upgrade the E-911 system to a fiber optic i3 network. Rhode Island is the only New England state that operates both inbound and outbound networks on copper facilities, which Verizon is decommissioning.
- ***59th State Police Training Academy.*** The Governor recommends \$135,000 from general revenues to conduct recruitment for the 59th State Police Training Academy during the 3rd and 4th quarters of FY 2023. The 40-person class would begin in FY 2024 and the graduates would begin in April 2024.
- ***Forensic Science Unit Accreditation - New Position.*** The Governor recommends \$0.2 million from general revenues for FY 2023 to support 1.0 new forensic scientist and equipment for the State Police Forensic Science Unit to regain eligibility for federal grant funding and lab accreditation status. He also recommends \$60,000 for forensic equipment in the current year.
- ***State Police Information Technology.*** The Governor recommends \$1.1 million from general revenues to upgrade the State Police data storage system and network switch infrastructure. The current system is over 90 percent capacity and is no longer supported by the vendor.
- ***Bomb Squad Equipment.*** The Governor's budget includes \$0.9 million from general revenues for safety equipment required for the Bomb Squad to secure the minimum requirements for federal accreditation. The proposal includes replacing a number of inoperable bomb disposal robots.
- ***Headquarters Roof Replacement.*** The Governor recommends \$0.8 million in additional Rhode Island Capital Plan funding in the current year for replacement of the Department of Public Safety headquarters roof that had to be rebid following a legal dispute.
- ***Training Academy Upgrades.*** The Governor recommends \$5.6 million from Rhode Island Capital Plan funds for rehabilitation projects at the Training Academy. This is \$3.5 million more than the approved plan and reflects an expanded scope that takes into account pursuing a joint municipal training academy and increased cost estimates for several of the components.
- ***Microwave System Replacement.*** The Governor recommends \$1.2 million from Rhode Island Capital Plan funds from FY 2022 through FY 2026 to replace a microwave loop network that passes radio transmissions for the Rhode Island Statewide Communications Network, managed by the Rhode Island Emergency Management Agency. This includes the installation, integration, hardware, software and future upgrades on the installed equipment and is \$0.2 million more than the approved plan to reflect updated cost estimates.
- ***New Southern Headquarters.*** Consistent with the approved plan, the Governor recommends \$28.1 million from Rhode Island Capital Plan funds over three years for construction of a new southern barracks.
- ***Portsmouth Barracks.*** Consistent with the approved plan, the Governor recommends \$2.0 million from Rhode Island Capital Plan funds to rehabilitate the Portsmouth Barracks.
- ***Office of the Public Defender - Case Management System.*** The Governor recommends \$0.6 million from federal funds available through the Department of Public Safety for a new case management system that will be integrated with the Judiciary's system.

- ***Quonset Airway Runway Reconstruction.*** The Governor recommends \$57.5 million, including \$2.9 million from Rhode Island Capital Plan funds, for a new project to reconstruct and upgrade runway 16-34 at Quonset State Airport to military specifications. The proposal advances \$3.4 million from FY 2024 to FY 2023, compared to the approved plan.
- ***Aviation Readiness Center.*** Consistent with the approved plan, the Governor recommends \$38.4 million, including \$35.6 million from federal funds and \$2.9 million from Rhode Island Capital Plan funds, to construct a National Guard Readiness Center to support training, administrative and logistical requirements of the 1-126 Aviation Unit of the Rhode Island Army National Guard.
- ***Joint Force Headquarters.*** The Governor recommends \$35.3 million from all sources for a new Joint Force headquarters at Camp Fogarty in East Greenwich, including \$24.6 million from National Guard Bureau funds and \$10.9 million from Rhode Island Capital Plan funds. This facility will be used for training and administration purposes. The proposal is \$2.3 million more from federal funds than the approved plan.
- ***AG Building Renovations and Repairs.*** The Governor's capital budget adds \$1.7 million from Rhode Island Capital Plan funds for roof repairs at the Office's main office at 150 South Main Street in Providence.
- ***Quonset Air National Guard Headquarters Facility.*** The Governor's budget includes \$33.5 million, including \$30.5 million from federal funds and \$3.0 million from Rhode Island Capital Plan funds, for a new project to construct an operations, training, medical, and dining facility on an empty lot at the Quonset Air National Guard Base. Leadership, medical, and support staff would relocate from the current facility. Construction is expected to begin in FY 2025. The budget programs \$2.1 million for FY 2023, \$36.9 million for FY 2024, and \$18.5 million for FY 2025.
- ***Sun Valley Armory.*** The Governor's budget includes \$7.9 million, including \$7.1 million from federal funds and \$0.8 million from Rhode Island Capital Plan funds, for a new project to construct additional armory and storage space at the Sun Valley Armory. The current facility lacks space for sensitive equipment, and egress routes currently double as additional storage space posing a safety hazard. State funds would be used for any unforeseen changes in construction and design costs above federal appropriations. The budget includes \$0.6 million for FY 2022 and \$7.3 million for FY 2023.

Climate

- ***ARPA - Electric Heat Pumps.*** The budget includes \$37.0 million from State Fiscal Recovery funds to support low-income and moderate-income households, and community organizations to purchase and install energy efficient electric heat pumps. The Governor recommends that some of the funds be used to support an apprenticeship program in coordination with the Department of Labor and Training.
- ***Act on Climate - Staffing.*** The budget includes \$0.4 million from restricted receipts to fund 4.0 full-time equivalent positions to support the implementation of the Act on Climate of 2021, which established the Executive Climate Change Coordinating Council that is charged with developing plans to incrementally reduce climate emissions. This includes \$0.3 million in the Office of Energy Resources for 3.0 full-time equivalent positions and \$0.1 million in the Department of Environmental Management for one position. The Office of Energy Resources serves as vice chair of the Council.
- ***Demand Side Management Funds.*** The Governor proposes legislation requiring the Office of Energy Resources and the Executive Climate Change Coordinating Council to issue a request for proposals to select an administrator to manage the program. The legislation also expands uses of the funds to include clean transportation or other programs that support the reduction of greenhouse gases. Effective January 2023,

the electric and gas distribution company will no longer receive incentives for managing the energy efficiency programs.

- ***Executive Climate Change Coordinating Council - Funding.*** The Governor proposes legislation requiring the Public Utilities Commission to annually allocate \$6.0 million from demand-side management gas and electric funds to the Office of Energy Resources to support the Executive Climate Change Coordinating Council. The funds must be used on projects that reduce greenhouse gases. The Council must annually report to the Governor and the General Assembly how the funds were used.
- ***Regional Greenhouse Gas Initiative.*** The budget includes \$13.5 million from the Regional Greenhouse Gas Initiative restricted receipt funds based on available resources. The receipts are derived from the sale of carbon emission credits through an auction process. This includes \$10.0 million to provide grants to invest in projects that reduce long-term energy demands, \$2.2 million for energy conservation projects, such as lighting projects and \$1.3 million for program administration.

Environment

- ***Permitting.*** The Governor's budget adds \$500,000 and 6.0 new full-time equivalent positions for the Bureau of Environmental Protection to enhance customer service, support businesses, and manage the increase in recent permitting activity. The Governor also recommends 13 new and increased fees that will generate \$0.6 million to be deposited as general revenues.
- ***Bureau of Natural Resources.*** The Governor's budget adds 2.0 new full-time equivalent positions for the Bureau of Natural Resources to support commercial and recreational fishing and hunting in Wildlife Management Areas.
- ***Climate Change Policy.*** The Governor's budget adds 1.0 new full-time equivalent position in the Department of Environmental Management to work on climate change policy. The position will be funded through the Department's allocation of Regional Greenhouse Gas Initiative funding.
- ***Clean and Drinking Water State Match.*** The Governor recommends \$21.9 million from general revenues to provide the 20.0 percent state match for federal clean and drinking water programs through the Rhode Island Infrastructure Bank.
- ***Parks and Recreation Seasonal Employees.*** The Governor recommends \$0.3 million from general revenues to increase seasonal employee wages to attract and retain staff.
- ***Green Economy Bond.*** The Governor's capital budget includes \$38.0 million from a new general obligation bond to be submitted to the voters on the November 2022 ballot to be used for environmental and recreational projects. Projects include brownfield remediation, grants for coastal resiliency, grants for local recreation projects, forest conservation, restoration and protection of water quality, grants to remove impediments to clean energy projects, zero-interest loans for clean energy projects, and state and local open space land acquisition.
- ***ARPA - Port of Galilee Rehabilitation.*** The Governor recommends \$46.0 million from State Fiscal Recovery funds to make infrastructure improvements to the Port of Galilee to increase services for commercial fishing and related businesses. Funding is programmed from FY 2023 through FY 2027. The Governor's capital plan also includes \$18.3 million from Rhode Island Capital Plan funds for FY 2022 through FY 2027, which is \$4.9 million more than the approved plan for the same six years.
- ***ARPA - Permitting and Licensing.*** The Governor recommends \$5.8 million from the State Fiscal Recovery funds to make improvements to the Department of Environmental Management's information

technology for online permit and licensing systems for fish and wildlife, commercial fishing and boating registration. Funding is programmed from FY 2023 through FY 2026.

- ***Local Agriculture and Seafood Program.*** The Governor recommends \$250,000 for the local agriculture and seafood program to allow small businesses in the food sector to receive grants. This is \$150,000 more than enacted. Funding is matched by private sources.
- ***Conservation Districts.*** The Governor recommends the enacted level of \$50,000 from general revenues for regional conservation districts. The districts are quasi-public subdivisions of state government, governed by volunteer boards of directors from the communities.
- ***Marine Infrastructure/Pier Development.*** The Governor recommends \$6.5 million for a new project to create a new Port Sakonnet at the Chase Marina in Tiverton intended to provide economic infrastructure for commercial harvesters and shellfish farmers in the East Bay in partnership with Roger Williams University's aquaculture program. Funding includes \$1.3 million from Rhode Island Capital Plan funds and \$5.2 million from federal Economic Development Administration funds programmed over FY 2024 and FY 2025.
- ***Fish and Wildlife Facilities.*** The Governor recommends \$2.4 million for a new project to update and repair the coastal fisheries laboratory property in South Kingstown. Work includes a new dock and garage, as well as updates to interior office space. The recommendation includes \$0.6 million from Rhode Island Capital Plan funds and \$1.8 million from federal funds programmed from FY 2023 through the post-FY 2027 period.
- ***Recreational Facilities Asset Protection.*** The Governor recommends \$4.0 million from Rhode Island Capital Plan funds for asset protection projects for the Parks and Recreation facilities, consistent with prior funding levels.
- ***Fort Adams.*** The Governor recommends \$5.1 million from Rhode Island Capital Plan funds to restore and repair historic structures at Fort Adams State Park in Newport, consistent with the approved plan.
- ***New Coastal Policy Analyst.*** The Governor's budget includes \$0.1 million from general revenues for a new coastal policy analyst position for the Coastal Resource Management Council to address the increasing number of wind farm projects and rights of way issues.
- ***Pawtucket Resiliency Elevation Feasibility Study.*** The Governor's budget includes \$50,000 from Rhode Island Capital Plan funds for FY 2023 to fund an Army Corps of Engineers-led feasibility study of measures to reduce the risk of coastal storm damage across the southern coast of Rhode Island from Westerly to Narragansett.
- ***Little Narragansett Bay Feasibility Study.*** The Governor recommends \$50,000 from Rhode Island Capital Plan funds in FY 2023 to investigate the feasibility of dredging Little Narragansett Bay in Westerly to improve navigation safety.

Transportation

- ***Additional Transportation State Match.*** The Governor recommends \$100.0 million from one-time general revenues be transferred to the Rhode Island Capital Plan funds to be used as the state match for additional transportation funds received from the federal Investment Infrastructure and Jobs Act. This includes \$71.3 million for the Department of Transportation and \$28.7 million for the Rhode Island Public Transit Authority.

- ***Electric Vehicle Charging Infrastructure Program.*** The Governor proposes establishing an Electric Vehicle Charging Infrastructure Program, which will be funded with \$22.9 million from federal funds authorized in the federal Infrastructure and Investment Jobs Act. The program will be administered by the Department of Transportation and the Office of Energy Resources, with consultation from the Department of Environmental Management.
- ***Metro Providence High-Capacity Study.*** The Governor recommends \$225,000 from Rhode Island Capital Plan funds to provide the Rhode Island Public Transit Authority with matching funds for a \$1.0 million grant received to conduct a study for the construction of a Providence High-Capacity Transit Corridor to connect Downtown Providence and other activity centers to low-income neighborhoods in the state. This project is part of the Authority's Transit Forward RI 2040 Plan, was adopted by the State Planning Council in December 2020.
- ***ARPA - Pawtucket Bus Hub Passenger Facility.*** The approved capital plan includes \$8.5 million from federal funds to build a transit hub adjacent to the new commuter rail station on the Pawtucket/Central Falls border. The project will include bus berths, shelters, real-time bus information, ticket vending machines and waiting space. The Governor recommends an additional \$5.0 million from State Fiscal Recovery funds to enhance the project to include passenger restrooms, waiting areas, a customer service area, a break room for its employees, and a Pawtucket police substation.
- ***General Obligation Bond - Match.*** Consistent with the approved plan, the capital budget assumes use of \$40.0 million in FY 2022 and \$31.7 million in FY 2023 from newly approved general obligation bonds to be used as state match for highway projects in the transportation improvement plan.
- ***Rhode Island Public Transit Authority.*** The Governor recommends \$52.7 million in FY 2022 and \$54.1 million in FY 2023 for the Authority's current share of the gasoline tax proceeds and highway maintenance funds. The recommendation in the current year is \$1.5 million more than enacted, including \$0.2 million more from highway maintenance funds and \$1.3 million more from gasoline tax proceeds, reflective of an updated tax yield.
- ***Public Transit Authority - Bus Match.*** The five-year capital budget assumes use \$20.9 million from the Department of Transportation's share of highway maintenance funds to finance buses for the Rhode Island Public Transit Authority for FY 2022 and FY 2023 only. The Authority would pay \$3.7 million and \$4.9 million, respectively, from its own sources to pay the match.
- ***URI Bus Hub.*** The capital budget includes a total of \$8.8 million, including \$0.9 million from Rhode Island Capital Plan funds, to match federal funds to construct a new bus hub at the University of Rhode Island Kingston Campus. Available University of Rhode Island bond funds and highway maintenance funds will also be used for matching. The project will include bus berths with shelters, interior waiting space, restrooms, electric charging stations, and bicycle racks. This is consistent with the approved plan.

